

ployees of the Veterans' Administration from financial liability for certain overpayments and allow such credit therefor as is necessary in the accounts of Guy F. Allen, chief disbursing officer; with amendment (Rept. No. 1648). Referred to the Committee of the Whole House.

Mr. BYRNES of Wisconsin: Committee on Claims. H. R. 4948. A bill for the relief of Herbert C. Rockwell; without amendment (Rept. No. 1649). Referred to the Committee of the Whole House.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND:

H. R. 5587. A bill to amend the Canal Zone Code, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. ELLIOTT:

H. R. 5588. A bill to exempt from the Federal amusement tax all admissions charged to fairs; to the Committee on Ways and Means.

By Mr. FORAND:

H. R. 5589. A bill to provide for retirement of certain commissioned officers, commissioned warrant officers, chief warrant officers, warrant officers, and enlisted men of the Army, Navy, Marine Corps, and the Coast Guard thereby providing vacancies for promotions in order to stimulate voluntary enlistments; to the Committee on Military Affairs.

By Mr. McCORMACK:

H. R. 5590. A bill to provide for the uniform administration of efficiency ratings; to the Committee on the Civil Service.

By Mr. DINGLE:

H. R. 5591. A bill to provide for the consolidation of packages of distilled spirits in internal revenue bonded warehouses and the elimination of wine gallons from certain records, entries, and returns covering distilled spirits, and for other purposes; to the Committee on Ways and Means.

By Mr. OUTLAND:

H. R. 5592. A bill to amend certain provisions of the Social Security Act and the Internal Revenue Code in order to bring within the scope thereof industrial operations performed on agricultural commodities and to confine exemptions to farming and related activities; to the Committee on Ways and Means.

By Mr. WHITE:

H. R. 5593. A bill to provide for the monetization of the unobligated silver in the Treasury, to make an inventory of our national mineral resources, and for other purposes; to the Committee on Coinage, Weights, and Measures.

By Mr. PETERSON of Florida:

H. R. 5594. A bill to reserve for the use of the United States all deposits of fissionable materials contained in the public lands; to the Committee on the Public Lands.

By Mr. O'KONSKI:

H. Res. 534. Resolution to establish a foreign legion in the American armed forces; to the Committee on Rules.

#### MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to provide for an increase in the national minimum wage structure; to the Committee on Labor.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to encouraging the resumption of

gold mining; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to proposed reparations to American residents of the Philippines detained during the war in Japanese prison camps; to the Committee on War Claims.

Also, memorial of the Legislature of the State of California, relative to the settlement of a jurisdictional labor dispute between the CIO Food, Tobacco, Agricultural, and Allied Workers' Union of America, and the American Federation of Labor Cannery Workers' Union, affiliated with the International Teamsters' Union; to the Committee on Labor.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. DOUGLAS of California:

H. R. 5595. A bill for the relief of Marjorie See; to the Committee on Immigration and Naturalization.

H. R. 5596. A bill for the relief of Edward A. Cupp; to the Committee on Claims.

By Mr. HINSHAW:

H. R. 5597. A bill for the relief of Harry C. Goakes; to the Committee on Claims.

By Mr. LUTHER A. JOHNSON:

H. R. 5598. A bill for the relief of John Camera; to the Committee on Immigration and Naturalization.

By Mr. BUCK:

H. R. 5599. A bill for the relief of Alice Johnson; to the Committee on Claims.

By Mr. POWELL:

H. R. 5600. A bill for the relief of Kenneth Michel; to the Committee on Immigration and Naturalization.

By Mr. RAYFIEL (by request):

H. R. 5601. A bill for the relief of Joseph W. Beyer; to the Committee on Claims.

By Mr. ROBSION of Kentucky:

H. R. 5602. A bill granting a pension to Henry Combs; to the Committee on Invalid Pensions.

By Mr. SHARP:

H. R. 5603. A bill for the relief of Wilford B. Brown; to the Committee on Claims.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1630. By Mr. ARNOLD: Petition of constituents in Princeton, Mo., urging support of the Poage bill, House bill 1742, to authorize appropriation of \$5,000,000 so that Rural Electrification Administrator might prepare comprehensive plans for electrification of rural areas, and to authorize the Reconstruction Finance Corporation to make additional loans to the REA aggregating \$585,000,000 by June 30, 1948; to the Committee on Interstate and Foreign Commerce.

1631. By Mr. LUTHER A. JOHNSON: Petition of Claude King of Mexia, Tex., favoring legislation to require full taxation of earnings of all co-ops; to the Committee on Ways and Means.

1632. By Mr. LANE: Petition of the legislative department, board of aldermen, city of Chelsea, Mass., proposing the establishment of separate United States Employment Service offices, and dividing the United States Employment Service into two separate branches, so that one could be devoted exclusively to serving veterans and staffed by World War II veterans. This petition is submitted in cooperation with the protest of the national headquarters of the American Veterans against the way veterans are served under the existing United States Employment Service set-up in the Department of Labor;

to the Committee on World War Veterans' Legislation.

1633. By Mr. MARTIN of Iowa: Petition of members of the university district of the Iowa State Dental Society, opposing Senate bill 1606 and House bill 4730 and supporting Senate bill 1099 and 190; to the Committee on Interstate and Foreign Commerce.

1634. By Mr. SMITH of Wisconsin: Petition of Walter J. Menden, route 1, box 22, Racine, Wis., in re: Price control, changing corporation taxes, and housing; to the Committee on Banking and Currency.

1635. Also, petition of R. J. Mosher, secretary, local No. 195, Racine, Wis., in re: Price control, confirmation of Edwin Pauley, loan to Britain, Case bill, and James Petrillo; to the Committee on Banking and Currency.

## SENATE

WEDNESDAY, FEBRUARY 27, 1946

(Legislative day of Friday, January 18, 1946)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Father, most real when most invisible, ere our wistful yearnings break into faltering words, Thou seest our deepest needs; past sobs and sighs and stammering tongues Thou knowest that as the hart panteth after the water brook so thirst our souls after Thee.

Save us from presumptive pride that feigns an understanding that it does not possess. Open our inner eyes that with all our seeing we may not miss the beauty and strength of a spiritual world more real even than the driven dust beneath our feet or the feathered songsters that wing their trackless way above our heads. Make us fit vessels to receive the glory and the good Thou desirest to give to us, and through us to all the waste places of this stricken earth. In the dear Redeemer's name. Amen.

#### THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, February 26, 1946, was dispensed with, and the Journal was approved.

#### MESSAGES FROM THE PRESIDENT— APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on February 26, 1946, the President had approved and signed the act (S. 1618) to exempt the Navy Department from statutory prohibitions against the employment of noncitizens, and for other purposes.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment the joint resolution (S. J. Res. 136) changing the name of the Shoshone Dam and Reservoir to Buffalo Bill Dam and Reservoir in commemoration of the one hundredth

anniversary of the birth of William Frederick Cody, better known as Buffalo Bill.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 4652) to provide credit for past service to substitute employees of the postal service when appointed to regular positions, to extend annual and sick leave benefits to war service indefinite substitute employees, to fix the rate of compensation for temporary substitute rural carriers serving in the place of regular carriers in the armed forces, and for other purposes.

#### ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

- H. R. 854. An act for the relief of Isabel Carlson;  
 H. R. 1315. An act for the relief of B. Pendino;  
 H. R. 1464. An act for the relief of Leonard Hutchings;  
 H. R. 1489. An act for the relief of Harold B. Alden and Walter E. Strohm;  
 H. R. 1848. An act for the relief of Max Hirsch;  
 H. R. 2168. An act for the relief of Charles Zucker;  
 H. R. 2171. An act for the relief of Solomon Schtielman;  
 H. R. 2240. An act to credit certain service performed by members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service prior to reaching 18 years of age for the purpose of computing longevity pay, and for other purposes;  
 H. R. 2270. An act for the relief of Harry C. Westover;  
 H. R. 2289. An act for the relief of Arnold Mecham;  
 H. R. 2393. An act for the relief of Elsie Peter;  
 H. R. 2452. An act for the relief of Sam Kalak;  
 H. R. 2661. An act for the relief of W. D. Jones and Ethel S. Jones;  
 H. R. 2724. An act for the relief of the legal guardian of Forest Eldon Powell;  
 H. R. 2728. An act for the relief of R. H. Sindle;  
 H. R. 2769. An act for the relief of C. Frank James;  
 H. R. 2963. An act for the relief of William Phillips;  
 H. R. 2974. An act for the relief of the estate of Bobby Messick;  
 H. R. 3028. An act to amend the act of August 17, 1937, as amended; relating to the establishment of the Cape Hatteras National Seashore Recreational Area in the State of North Carolina;  
 H. R. 3046. An act for the relief of Thomas A. Butler;  
 H. R. 3444. An act to grant the title of public lands to the town of Safford, Ariz., for the use of its municipal water system;  
 H. R. 3514. An act for the relief of the legal guardian of Olga Stanik, a minor;  
 H. R. 3614. An act to ratify and confirm Act 33 of the Session Laws of Hawaii, 1945, extending the time within which revenue bonds may be issued and delivered under chapter 118, Revised Laws of Hawaii, 1945;  
 H. R. 3657. An act to ratify and confirm Act 32 of the Session Laws of Hawaii, 1945;  
 H. R. 3730. An act granting the consent of Congress to the State of West Virginia to construct, maintain, and operate a free highway bridge across the Monongahela River at or near Star City, W. Va.;  
 H. R. 3784. An act for the relief of C. H. Brumfield;

H. R. 3940. An act to revive and reenact the act entitled "An act granting the consent of Congress to Rensselaer and Saratoga Counties, N. Y., or to either of them, or any agency representing said counties, to construct, maintain, and operate a free highway bridge across the Hudson River between the city of Mechanicville and Hemstreet Park in the town of Schaghticoke, N. Y.," approved April 2, 1941;

H. R. 4249. An act for the relief of Lucy Delgado and Irma M. Delgado;

H. R. 4652. An act to provide credit for past service to substitute employees of the postal service when appointed to regular positions; to extend annual and sick leave benefits to war service indefinite substitute employees; to fix the rate of compensation for temporary substitute rural carriers serving in the place of regular carriers in the armed forces; and for other purposes; and

S. J. Res. 136. Joint resolution changing the name of the Shoshone Dam and Reservoir to Buffalo Bill Dam and Reservoir in commemoration of the one hundredth anniversary of the birth of William Frederick Cody, better known as Buffalo Bill.

#### CALL OF THE ROLL

Mr. VANDENBERG obtained the floor. Mr. WHITE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Hart	O'Mahoney
Austin	Hatch	Overton
Bailey	Hawkes	Pepper
Ball	Hayden	Radcliffe
Bankhead	Hickenlooper	Reed
Barkley	Hill	Revercomb
Bilbo	Hoey	Robertson
Brewster	Huffman	Russell
Bridges	Johnson, Colo.	Saltonstall
Briggs	Johnston, S. C.	Shipstead
Buck	Kilgore	Smith
Bushfield	Knowland	Stanfill
Butler	La Follette	Stewart
Byrd	Langer	Taft
Capper	McCarran	Thomas, Okla.
Carville	McClellan	Thomas, Utah
Chavez	McFarland	Tobey
Cordon	McKellar	Tunnell
Donnell	McMahon	Tydings
Downey	Magnuson	Vandenberg
Ellender	Maybank	Walsh
Ferguson	Mead	Wheeler
Fulbright	Millikin	Wherry
George	Mitchell	White
Gerry	Moore	Wiley
Gossett	Morse	Willis
Green	Murdoch	Wilson
Gurney	Myers	Young

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from New York [Mr. WAGNER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Pennsylvania [Mr. GUFFEY] is a member of the committee attending the funeral of the late Representative from Pennsylvania, Hon. J. Buell Snyder, and is therefore necessarily absent.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Illinois [Mr. LUCAS], and the Senator from Texas [Mr. O'DANIEL] are detained on public business.

The Senator from Montana [Mr. MURRAY] and the Senator from Idaho [Mr. TAYLOR] are absent on official business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a representative of the United States to the General Assembly of the United Nations.

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] is recovering from a recent operation.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate on official business of the Small Business Committee, of which he is a member.

The PRESIDENT pro tempore. Eighty-four Senators having answered to their names, a quorum is present.

#### REPORT ON UNITED NATIONS MEETING IN LONDON

Mr. VANDENBERG. Mr. President, I am presenting a brief report to my Senate colleagues regarding the recent meeting of the United Nations in London, where, thanks to your generous confirmation of the President's appointment, I sat as an American delegate in the first General Assembly.

I had expected to postpone this statement until the return of the Senate's other representative at London, the distinguished chairman of the Senate Foreign Relations Committee, the Senator from Texas [Mr. CONNALLY]. But events seem to recommend these observations now. The Senator from Texas will be back in the near future. I compliment him in the highest possible terms for his sterling services in London. He filled important and often difficult assignments with wisdom, vigor, tenacity, and success. He was distinctly a credit to the Senate, to his country, and to the great cause which he embraced with typical earnestness and zeal.

Mr. President, I say frankly, at the outset, that I return from London with mixed emotions. I return with no illusions that automatic peace awaits the world just because the machinery of the United Nations is now in gear. But I return also with an over-riding conviction, even more emphatic than before, that the world's only hope of organized peace and security in inseparably linked with the evolution and the destiny of this United Nations Organization. I return in the convinced belief that the more complex or ominous the world's international relations may become, in that same degree the greater becomes the critical need that the peace-loving peoples of the earth shall strive to make this enterprise succeed. I return in the belief that it can succeed unless Russia, Britain, and the United States, individually or collectively, make it impossible.

I can share your disappointments over some phases of the London record. I can share your anxieties over some of its disturbing trends. I can share your desires that the San Francisco Charter should be improved in certain aspects. I intend to speak frankly about some of these things. But I cannot—and I do not—share the melancholy pessimism, heard in some quarters, that the United Nations, as a result of this experience, will be unable to cope with world realities as disclosed in current history. It would be silly to ignore the hazards. It would be sillier to ignore vindicated hopes. The amazing thing is not that at London there were areas of disagreement but that the areas of agreement were so vast and so significant.



In my opinion, Mr. President, I repeat—because it is so dreadfully important—that the United Nations must be made to succeed if we are to avoid unspeakable catastrophe in this atomic age when decisive war may be waged in minutes instead of years and when the first casualty list may be the last. To those who are already earnestly suggesting substitutes, I prayerfully suggest that if the United Nations compact, as a starter, cannot command the agreement and cooperation essential to success, then any more ambitious program would obviously multiply these obstacles. Any less ambitious program would die of international pernicious anemia. This Charter clearly has its imperfections. We must be constantly alert to opportunities for its improvement. It is helpful that the earnest friends of peace should press these discussions. But it seems clear to me that we must first learn to live with what we have. It seems clear to me that our challenge is to make the United Nations work. It is particularly a challenge to the so-called five great powers. More particularly it is a challenge to three of them. Still more particularly, it is an individual challenge to the Union of Soviet Socialist Republics, upon the one hand, and to our own United States, upon the other, as I shall presently undertake to demonstrate.

Now, Mr. President, let us look at London. In 37 days the United Nations turned a blueprint into a going concern. It turned an ideal into a reality. On January 10, 1946, we had only a pious dream. On February 16, 1946, we had organized, in working detail, the complete machinery for the General Assembly, for the Security Council, for the Court of International Justice, for the Social and Economic Council, and for the functioning of every instrument of peace which the Senate envisioned when it underwrote this dream last July with but two dissenting votes. On January 10 we had a scrap of paper. In 37 days we gave it life. The supreme need, in the name of flesh and blood and human hearts and hopes, is that it shall not return to the status of a scrap of paper.

There was sharp controversy and competition in some of these organizational decisions. But all of them were accepted in good spirit by all concerned. There was not a suspicion of insincerity or sabotage. In other words, the original purpose—and what was intended to be the exclusive purpose—of this first General Assembly was carried out with complete comity and with significant success. There was healthy rivalry. But there was equally healthy agreement. In athletic parlance, the team was learning to play team ball. The temporary quarters of the United Nations is already rising in the United States. The machinery is all in gear. Indeed they were 37 momentous days.

All this involved great labor and the composition of many differing points of view. For example, I was chairman of the subcommittee which dealt with administration and with budgets. Starting from zero, we had to create the frame-work for a tremendous institution. Fifty-one nations, spanning the

gamut of race, color, language, and tradition, had to concur. They did—with ultimate unanimity. I venture to ask, with great respect, how long, and with what travail, it would have taken our own Congress to complete a comparable task. Obviously it was possible only with the highest degree of cooperation; with the best of mutual good will; and with a common dedication to a common purpose. And it is highly significant that there were no exceptions to this rule.

I should say, at this point, that UNO will be financed from a so-called working capital fund of \$25,000,000; and that its provisional budget for 1946, including the Court at The Hague, is \$21,500,000. Our provisional share is 25 percent. In other words, the United States will spend for peace, on this account far less per annum than it spent per hour on war.

So, Mr. President, let us put this first big entry in the credit ledger. When we look at London and at the first General Assembly of the United Nations, let us remember that its organizational phase was a phenomenal success and a vigorous omen of hope for the tolerant cooperations which are the lifeblood of this adventure in behalf of the collective security for which men and women pray, in a hundred different tongues, at the war-scarred hearthstones of the world. Again in athletic parlance, let us anticipate that when the team has played together a little longer it will be invincible.

Let us remember some other things about this first General Assembly.

Let us remember that it initiated the joint studies which should lead to the international control of atomic energy, on a basis requiring adequate and dependable security and inspection arrangements as a mandate prerequisite to any disclosures of any nature at any time. This is the way to save civilization from the use of atomic energy as a lethal curse to humankind.

Let us remember that this General Assembly—this town meeting of the world—sounded reveille against the famine which threatens countless peoples with pitiful extermination. Of course, the call to service is not itself alone enough. Action must follow words. But it is heartening to find the world thus equipped with a new and powerful weapon with which to attack the social and economic, as well as the political, ills of the human family everywhere.

Let us remember that this General Assembly—this vocal conscience of the earth—unanimously offered new hope to dependent peoples everywhere through the expression of our mutual purpose to encourage their self-government.

Let us remember that it pledged itself to encourage a world-wide free press through instrumentalities to be created at its next session in September. Blackouts and iron curtains are not the insignia of liberty nor the trade-marks of peace.

Let us remember that this General Assembly encouraged the hopes of war refugees—the pathetic derelicts of recent conflict—by refusing, on a decisive roll call, to sanction their involuntary repatriation.

Let us remember, Mr. President, that this General Assembly has now put itself

in full position to proceed hereafter to implement dynamic article XIV of the Charter. This means that it can recommend the peaceful adjustment of any situation, regardless of origin, which it deems likely to impair the general welfare or to infringe upon equal rights and self-determination of peoples.

All this, and more, the General Assembly did in 37 days. Let us put this entry in the credit ledger.

No; it is not the whole story. I shall come to that in a moment. But it is enough of the story to hearten men of good will to refuse any defeatism in their attitudes and to carry on. We have the greatest encouragements to believe that the United Nations can gather strength and moral power to meet the major issues which may threaten international peace and security, or, as an alternative, to organize the conscience of the world against any aggressor who defies these precepts.

Ah, yes, you say; but how about the Security Council? Well, Mr. President, let us look at the Security Council. By all means, let us look at the Security Council. First, let us remember that the Security Council was put to unexpected test just 6 days after it came into being—before it had any of the Charter instruments intended for its use—before it even had any rules for its own procedure. That was like expecting a motor car to run on one wheel—and yet it did. Or, changing the metaphor, it was like asking General Eisenhower to invade the Continent 20 minutes after we declared war on Germany. It took 4 years to integrate the machine that won the war. I respectfully submit to those who are impatient with the London story that we are entitled to at least a few months of grace in the winning of a lasting peace. Even if it took as long as the winning of the war, still it would be a miracle, in the light of man's dismal failures for 1,900 years to follow in the footsteps of the Prince of Peace. Or, again changing the metaphor, I would suggest a study of our own swaddling days and of the time and travail involved in accommodating ourselves to our own Constitution. The truth is, Mr. President, that the brief, preliminary record made by the Security Council is, under the circumstances, much more notable for what it did than for what it did not do.

Four controversies, each involving the presence of foreign troops in lands other than their own, were submitted to the Security Council, upon which sit Britain, China, France, Russia, the United States, Egypt, Mexico, Netherlands, Australia, Brazil, and Poland. In each instance, after full hearing, the four controversies were left, on conciliatory American initiative, to further negotiations between the nations in direct concern. But that qualifying phrase, "after full hearing," is of paramount importance.

Mind you, these were the raw materials out of which wars have sprung in other days. But here the contestants were not meeting on a battlefield. They were meeting at the council table, in the white light of full publicity, in the presence of their peers, under the searching eyes of a watching world and under the impulse of a solemn pledge to

keep the peace. Here, words which would have been fighting words in other days were the substitutes for guns and swords. Here the frankest imaginable discussions were taking place, eye to eye, cheek by jowl. Here the contestants shook hands at the termination of the jousts. Here there was a clear verdict rendered on the facts by the member nations sitting in their judgment seats, as each representative spoke into the record. It was the "open diplomacy openly arrived at" of which men heretofore have dreamed in vain. It was an epoch in the hopes of humankind. Let us put that in the credit ledger.

Both World War I and World War II have been chaptered with secret agreements; and the serial postscripts still continue to appear. This new fraternity of nations may lay claims to high values, at least in its emphasis upon daylight diplomacy.

To be sure, the ultimate disposition of each case, after full hearing, was a reversion to direct negotiation between the parties involved, instead of some affirmative act of penalty or of enforced restraint. This may have been a disappointment to some of our more impatient direct-actionists who would like a god of peace as militant and as relentless as the gods of war. But I remind you that the United Nations Charter does not contemplate the techniques of the meat-axe. It is not built to hasten sanctions and the use of force. It is built to prevent, if possible, the use of sanctions and of force. It is built to stop war; not to make it. It requires the exhaustion of all possibilities of direct negotiation, and of inquiry, and of mediation, and of conciliation, and of arbitration, and of judicial settlement before we turn to grimmer disciplines.

And this, Mr. President, is desperately important. I venture to assert that the renewal of direct negotiations in the four instant cases, after these full hearings, is calculated to be quite a different thing than it was before. Now these negotiations will proceed in the presence of the necessity for an ultimate accounting not only to the Security Council but also to the critical opinions of mankind. Now the record, be it good or ill, defies distortion in the future conduct of these events. In most instances, I dare to believe there will be adequate results. By way of example, I point only to the fact that the Soviet Union immediately opened negotiations with Iran—after months of previous refusal to confer at all—and that, in the midst of the Indonesian discussion the Netherlands announced new plans for an autonomous Indonesian Commonwealth. This, too, goes on the credit ledger.

I say again that this is the wholesome pattern of a great hope—even as it also has its danger spots. I do not intend to deny the latter, as will presently appear. But neither do I intend to ignore the former, lest we be treacherously misled against our own best destiny. The price of failure is too great.

By way of concrete illustration, Mr. President, let me submit a blow-by-blow account of the final contest before the Security Council. Within it are found all of our hopes and fears—all of the

credits and the liabilities—all of the encouragements and all of the warnings for the future.

Lebanon and Syria were asking the simultaneous withdrawal of French and British troops. Just linger for a moment, Senators, upon this unprecedented scene. Two of the newest and smallest and humblest of governments in the world were complaining against two of the Five Great Powers—against two of the permanent members of the Security Council. The difference in relative power and authority could scarcely approach greater extremes. Yet little Lebanon and little Syria were invited to temporary seats at the council table, pursuant to the mandate of the Charter. There they sat, with the mightiest of earth, to have their untrammelled day in this court of world opinion. It was indeed the triumph of an ideal.

They spoke without limitation and without curb. French and British troops had been necessary in Lebanon and Syria once upon a time, particularly the British, who had entered upon invitation, and who were staying by request until such time as both the British and French could retire together. Lebanon and Syria testified that the need for these foreign troops was done, but that negotiations for their withdrawal had been unsuccessful. Frankly, without rancor, they laid their facts upon the table and petitioned for relief. At long last here, indeed, was at least an approach to the parliament of man. Another large entry on the credit ledger.

When Lebanon and Syria had finished, sturdy Ernest Bevin, Foreign Minister of the United Kingdom, promptly announced that he would be willing and glad to withdraw the British troops at once. Monsieur Bidault, the able Foreign Minister for France, immediately followed with a statement in kind. He said that there were technical arrangements to be concluded; but that he would gladly press their speediest possible negotiation. The controversy gave promise of amicable composition at one sitting of the Council. Our own distinguished Ambassador Stettinius, speaking for the United States, offered a resolution at this point which took note of the record; asserted the Council's general belief that there should be no unwanted troops on foreign soil in time of peace; expressed the Council's confidence that the case could be safely remanded to the parties in interest for final negotiation; and asked that the Council be kept advised of these developments. It appeared to be a prompt and happy and effective composition of the incident. The dove of peace flew in the window. But unfortunately, quickly it flew out again.

At this point the brilliant Soviet Commissar, Vishinsky, intervened. He wanted no such easy peace. He was not satisfied, he said, thus to let the matter rest. Long and bitterly he indicted the action particularly of France in Lebanon and Syria. Instead of being closed, the incident then blazed into two more days of intense and futile debate. He offered amendments to the American resolution which both France and Britain—and most of the Council—interpreted as stinging and unwarranted rebukes. This

was not oil on troubled waters. It was salt in reopened wounds. The chairman of the Security Council finally called for a vote. Mr. Vishinsky said he, too, was ready, provided the vote was taken under the provisions of the Charter prohibiting the participation of members of the Council who were parties to a dispute which threatens international peace and security. Both Bevin and Bidault hotly protested that this was not a "dispute threatening international peace and security"; that, therefore, they were entitled to vote and that they could not accept the Vishinsky implication. But they then announced that, upon their own responsibility, they would voluntarily abstain.

Vishinsky's amendment was voted down with only its author on its side. The American resolution was then given the seven affirmative votes required by the Charter. The chairman announced that it was carried. But he was wrong. The Charter also required that these seven votes had to include the concurring votes of the permanent members of the Council. This is the famous veto of which so much has been heard. Mr. Vishinsky promptly challenged the chairman's announcement. He was wholly within his rights, as, indeed, he was from start to finish. The resolution was lost by veto. That left little Lebanon and little Syria just where they started. But then came the thrilling climax. Bevin, for Britain, and Bidault, for France, magnificently asserted that they would voluntarily accept the terms of the resolution and abide its terms precisely as though it were the law of the Council. Put that high up on the credit ledger.

Mr. President, I confess that I was proud of western democracy that night. And the life of the United Nations took on new assurance and new expectancy, in the pattern of their attitudes. On the other hand, I trust I am not unfair in also confessing that it seemed to me the distinguished Soviet delegate—one of the ablest statesmen I have even seen in action—seemed to be less interested in helping Lebanon and Syria than he was in baiting France and Britain—less interested in peace at this point than he was in friction. I am certain it posed the same question in all our minds which I am now finding almost every day, in one form or another, in every newspaper I read—"What is Russia up to now?" It is, of course, the supreme conundrum of our time. We ask it in Manchuria. We ask it in eastern Europe and the Dardanelles. We ask it in Italy where Russia, speaking for Yugoslavia, has already initiated attention to the Polish legions. We ask it in Iran. We ask it in Tripolitania. We ask it in the Baltic and the Balkans. We ask it in Poland. We ask it in the capital of Canada. We ask it in Japan. We ask it sometimes even in connection with events in our own United States. "What is Russia up to now?" It is little wonder that we asked it at London. It is less wonder that the answer—at London and everywhere else—has a vital bearing on the destiny of the United Nations. And, Mr. President, it is a question which must be met and answered before it is too late.



It would be entirely futile to blink the fact that two great rival ideologies—democracy in the west and communism in the east—here, find themselves face to face with the desperate need for mutual understanding in finding common ground upon which to strive for peace for both. In the final analysis this means that the two greatest spokesmen for these rival ideologies—Soviet Russia and the United States—find themselves face to face with this same need for mutual understanding, both in and out of the United Nations. Indeed, if this does not oversimplify the problem, it might even be said that the future of the United Nations itself is wrapped up in this equation.

If this be so, Mr. President, I assert my own belief that we can live together in reasonable harmony if the United States speaks as plainly upon all occasions as Russia does; if the United States just as vigorously sustains its own purposes and its ideals upon all occasions as Russia does; if we abandon the miserable fiction, often encouraged by our own fellow travelers, that we somehow jeopardize the peace if our candor is as firm as Russia's always is; and if we assume a moral leadership which we have too frequently allowed to lapse. The situation calls for patience and good will; it does not call for vacillation.

Let me make it wholly clear that I do not complain because Russia speaks—indeed, Mr. Vishinsky probably spoke in this Security Council more than the spokesmen of all the other powers combined. I am glad she speaks. She ought to speak. That is what this forum is for. But it is for others, too, Mr. President—just as Mr. Bevin used it upon more than one eloquent and courageous occasion. It is, I repeat, for others, too. All should feel an equal freedom, an equal duty, and an equivalent responsibility. The governments of the world suddenly find themselves in the presence of a new technique in international relations. It is in this forum of the United Nations where the most dominant of all debates and decisions are hereafter calculated to occur. It would be impossible to over-emphasize the importance of our own role and our own performance in such epochal events, and the need for positive foreign policies as our consistent guide therein.

Speaking in New York last week at a celebration in honor of the great Red Army which Marshal Stalin certifies will be kept at a progressive peak, our new American Ambassador-designate to Moscow, Lt. Gen. Walter Bedell Smith, said: "It is imperative that our national temperatures remain at normal." I agree. He said that "both nations want nothing so much as peace and security." I not only agree; but, in addition, if what still bothers Russia is really a security fear against resurgent aggression, I would renew my offer of 1 year ago for a direct treaty of mutual defense, under the United Nations, in the event an aggressor axis ever rises again.

General Smith said that "the United States is willing to go a long way in meeting its international associates, but that it must be watchful of its own vital interests and hold to the line beyond

which compromise cannot go." Again I heartily concur. There is a line beyond which compromise cannot go; even if we have previously crossed that line under the pressures of the exigencies of war, we cannot cross it again. But how can we expect our alien friends to know where that line is unless we reestablish the habit of saying only what we mean and meaning every word we say? I have the deep conviction that this way is the dependable way to permanent peace and concord between us, with its inevitable effect upon the United Nations. Indeed, I have the feeling it is the only way. I have the feeling it is the best way to win Soviet respect and Soviet trust. Respect must precede trust; and both are indispensable to peace.

General Smith said that "America and the Union of Soviet Socialist Republics, given honest and frankness on both sides, can get along together in the future just as well as they have for almost 150 years, in spite of the fact that our Governments and our economic systems have been quite different." Again I associate myself with that sentiment. But the honesty and frankness must be mutual.

Sometimes it is a useful, albeit painful, thing to search our own souls in critical hours like these. Was Sumner Welles, the late President Roosevelt's long-time Under Secretary of State, right in a recent statement from which I quote:

If the United States is to exercise any potent influence in promoting world peace and in establishing a better international order, other nations must be confident that this Government will abide by our professions. American foreign policy must possess the all-important quality of dependability. . . . The United States continues to possess the influence in world affairs which is derived from its potential military might and from its material resources. But the moral influence which it possessed during the war years because of the belief that this Government was determined to support those principles which are indispensable to be established is rapidly vanishing. . . . It would be better far to refrain from giving assurances, however noble they may be, than to fail to carry them out. For the United States cannot exercise any effective leadership until all nations know that it means what it says.

Mr. President, this sort of an analysis does not detract for an instant from the notably loyal and richly helpful record which the United States has made to the foundations of the United Nations. I have been privileged to be so placed that I could see these great works of ours at first hand. We have a right to be eternally proud of America's part in launching this new argosy of peace upon the seas of time. The startling fact at London—I cannot repeat too often—is not that it sometimes trembled in the gale but rather that it so stanchly weathered all the storms. But, sir, we would be dubious mariners if we did not look back upon this pioneering journey to assess the dangers that developed and to put up warning signals for journeys yet to come.

Therefore, in addition to what I have already said, I must add two further admonitions.

I confess that in this first meeting of the United Nations I missed the uplifting and sustaining zeals for a great, crusading, moral cause which seemed to imbue the earlier Charter sessions at San Francisco. Perhaps it was because the agenda was so largely confined to the humdrum routine of organizational details. Perhaps it was the burden of anxiety over the misgivings that are inevitable in launching a peace project which never yet has succeeded in the history of civilization; or, on the other hand, perhaps it was the accumulated tiredness which dampens ardor and easily surrenders to the expedient notion that "all's well." Perhaps it was because, in the aftermath of war, we confront too many grim realities that are utterly at odds with the precepts of justice which we presume to defend. In any event, and whatever the cause, we are on notice that the peoples of the earth must never cease to evangelize this struggle for peace if it shall reach full flower.

Again, Mr. President, I sensed at London what seemed to be too great a tendency to relapse into power politics, in greater or less degree, and, as someone has said, to use the United Nations as a self-serving tribune rather than as a tribunal. It will require constant, consistent, courageous guidance to keep the United Nations within the main channel of its obligations—and here again is a clear call to America always to act in its traditional character for liberty and justice, and not to lapse, as I fear we may have done on some occasions.

Mr. President, I have endeavored faithfully to report both the credits and the debits on the United Nations' ledgers as a result of the first meeting of the General Assembly. I fear it has been ill and inadequately done. But I want to leave the positive and emphatic conclusion that the credits utterly preponderate with a heavy, a significant, a wholesome and an encouraging balance.

Those, sir, were 37 vital days in London. They are freighted with hope—solidly justified hope—in respect to collective security in this atomic age. In such an age there can be no security which is not collective. With unwavering fidelity we must carry on the great adventure. If there be any failure, let not the blood be upon our hands nor the tragedy upon our souls.

The United States has no ulterior designs against any of its neighbors anywhere on earth. We can speak with the extraordinary power inherent in this unselfishness. We need but one rule. What is right? Where is justice? There let America take her stand. [Applause, Senators rising.]

Mr. WILEY. Mr. President, when our distinguished associate who has just addressed the Senate, the Senator from Michigan [Mr. VANDENBERG], left for Europe, it was my privilege to say a few words on the floor of the Senate about his voyage into a far country. At that time it was the wish and the prayer of all his associates in the Senate that God would speed him, and give him the health and the strength and the vision to carry through.

History is a record of great men. We have heard a great American report to

us on one of the great events in world history. He has done a great job. I wish that every person in America could read his address. I think it will rank as one of the great addresses of all time delivered in this Chamber.

The Senator from Michigan has done several things which are of utmost importance. He has brought to America a great hope. He has shown that the meeting in London was not a failure, as so many have said. He has demonstrated to us clearly, by a factual recital of what took place there, that to a large extent judgment, common sense, and reason were in the saddle in London. I have stated that history is the record of great men, and I believe that the record here established indicates that great men were in action in London.

#### EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

##### PROTECTION WORK BETWEEN THE YUMA PROJECT AND BOULDER DAM

A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to amend the laws authorizing the performance of necessary protection work between the Yuma project and Boulder Dam by the Bureau of Reclamation (with an accompanying paper); to the Committee on Irrigation and Reclamation.

##### AMENDMENT OF NATIONAL SERVICE LIFE INSURANCE ACT OF 1940

A letter from the Administrator of the Veterans' Administration, transmitting a draft of proposed legislation to amend certain provisions of the National Service Life Insurance Act of 1940, as amended (with an accompanying paper); to the Committee on Finance.

##### REPORT OF UNITED STATES EMPLOYEES' COMPENSATION COMMISSION

A letter from the Secretary of the United States Employees' Compensation Commission, transmitting, pursuant to law, the annual report of that Commission for the fiscal year ended June 30, 1945 (with an accompanying report); to the Committee on Education and Labor.

##### STATISTICS OF NATURAL GAS COMPANIES

A letter from the Chairman of the Federal Power Commission, transmitting, pursuant to law, the 1944 edition of Statistics of Natural Gas Companies (with an accompanying report); to the Committee on Interstate Commerce.

#### PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate the following petitions, and so forth, which were referred, as indicated:

A joint resolution of the Legislature of the State of California; to the Committee on Banking and Currency:

##### "Senate Joint Resolution 8

"Joint resolution relative to encouraging the resumption of gold mining

"Whereas the price of gold being fixed at \$35 per ounce, the gold miner has been foreclosed from any relief through an advance in the price of his product; and

"Whereas the cost of operation of marginal gold miners has so greatly increased since the imposition of WPB order L-203, that gold mines operating profitably under prewar costs would show a loss if reopened and operated under present costs: Therefore be it

"Resolved, by the Senate and Assembly of the State of California, jointly, That the Leg-

islature of the State of California respectfully memorializes the Congress of the United States to provide relief for owners of gold mines by providing a subsidy on newly mined gold in the United States, thereby permitting and encouraging the resumption of gold mining; and be it further

"Resolved, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President of the United States, to the President pro tempore of the Senate, and the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Claims:

##### "Senate Joint Resolution 3

"Joint resolution relative to proposed reparations to American residents of the Philippines detained during the war in Japanese prison camps, and memorializing Congress in regard thereto

"Whereas numerous American residents of the Philippines were detained for years in Japanese prison camps and upon their return to the United States have been given only emergency relief from Federal funds disbursed by local welfare agencies; and

"Whereas a great many of these American residents who were prisoners of the Japanese in the Philippines have been returned to the United States through California ports and a great many of them have remained in the State of California for the purpose of regaining their health: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That Congress is respectfully memorialized to provide for the payment of reparations to American civilians detained in Japanese prison camps during the war, the latter reparations to compensate fully for all injuries sustained by reason of such detention in Japanese prison camps, whether as a result of loss of time, of health, of contacts, of technical or professional skill, or otherwise; and, be it further

"Resolved, That the Secretary of the Senate is directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate of the United States, the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Secretary of the Interior."

Two joint resolutions of the Legislature of the State of California; to the Committee on Commerce:

##### "Assembly Joint Resolution 16

"Joint resolution relative to memorializing the Congress of the United States to provide for a survey of the fisheries of the Pacific Ocean

"Whereas observations during the war in the Pacific have disclosed that great schools of tuna and other valuable food fish abound in the waters comprising a broad belt on both sides of the equator; and

"Whereas a comprehensive survey of the fish resources of the Pacific should be undertaken in order to determine the nature and extent thereof, the possibilities of conducting large-scale commercial fishing operations from islands under the control of the United States by nationals of the United States, and the possibilities of conducting such operations from islands under the control of other nations; and

"Whereas there is pending in the Congress of the United States a bill designated H. R. 3230 which provides for a survey of the fishing industry of the Territory of Hawaii and of the adjacent waters, primarily for the benefit of the residents of Hawaii; and

"Whereas the development of the food fish resources of the Pacific will add tremendously to the food supply of the Nation and the by-

products thereof will augment the supply of proteins available to agriculture; and

"Whereas modern methods of taking and handling fish permit the operation of fishing fleets in the far reaches of the Pacific and once it has been determined that the fish are there in quantities sufficient to warrant commercial fishing operations private enterprise will assure that the resources will be utilized: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California (jointly), That the Legislature of the State of California hereby respectfully memorializes the Congress of the United States to take such steps as may be necessary to cause to be made a comprehensive survey of the fish resources of the Pacific Ocean as provided in H. R. 3230, the extent to which and the methods by which commercial fishing may be encouraged and developed to the maximum level consistent with proper conservation, and the means of controlling such fisheries by treaty or otherwise; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit a copy of this resolution to the President of the United States, the President pro tempore of the Senate of the United States, the Chief of Fish and Wildlife Service of the Department of the Interior, and to each Senator and Representative in the Congress of the United States from California."

##### "Assembly Joint Resolution 17

"Joint resolution relative to the development of tuna fishing in the Pacific Ocean

"Whereas observations during the war in the Pacific have disclosed that great schools of tuna exist throughout the tropical waters of that ocean and constitute a virtually untapped natural resource of immense value; and

"Whereas a committee of California residents comprising eminent marine biologists and practical businessmen engaged in large-scale commercial fishing operations has studied the matter and has reported that the development of a large tuna fishing industry in the Pacific would be feasible if bases of operation could be established on islands in that ocean; and

"Whereas the United States now controls only a portion of the islands upon which the proposed tuna-fishing fleets would have to be based; and

"Whereas in order to conduct the fishing operations successfully it will be necessary to arrange for bases on islands under the sovereignty of Great Britain, France, the Netherlands, Australia, and the Philippine Commonwealth; and

"Whereas such bases will be necessary in order to provide for replenishment of water and supplies, for securing of bait, for facilities for repair and for the anchoring of large mother ships and of individual tuna clipper; and

"Whereas the United States now controls a great number of islands formerly under Japanese mandate, and in order to cover the entire area bases would be required at the Marquesas, Tuomotus, the Society Islands, the Tubais, the Tongas, the Fijis, New Caledonia and dependencies, the New Hebrides, the Solomons, New Guinea, the Gilberts, the Elliott Islands, and the Philippines; and

"Whereas in view of the present relations between the victorious powers the time is propitious for the United States to secure from the foreign nations involved the rights required to use the Pacific islands under their sovereignty in order to establish a tuna fishing industry to be conducted by nationals of the United States: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California hereby respectfully memorializes and requests that



the President and Secretary of State of the United States negotiate such treaties or other arrangements whereby the bases referred to in this resolution may be acquired, and that the Senate of the United States ratify such treaties if and when made; and be it further

*"Resolved, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President of the United States, the Secretary of State of the United States, the President pro tempore of the Senate and to each Senator and Representative in the Congress of the United States from California."*

A joint resolution of the Legislature of the State of California; to the Committee on Education and Labor:

**"Assembly Joint Resolution 18"**

"Joint resolution relative to memorializing Congress to provide for an increase in the national minimum-wage structure

"Whereas legislation is pending before the United States Congress to increase the minimum wage prescribed under the Fair Labor Standards Act of 1938; and

"Whereas since 1938 the purchasing power of the dollar has declined sharply along with an increase in prices and cost of living, all of which has resulted in an actual decrease in the amount of real wages represented by the minimum wage of the Fair Labor Standards Act; and

"Whereas the need of protecting the national purchasing power and maintaining a minimum standard of living necessary for the health, efficiency, and well-being of wage earners may be at least partially achieved by increasing the present minimum wage; and

"Whereas in view of the demonstrated capacity of our country to produce far beyond prewar levels and the need of attaining an economy of full production and abundance, the raising of the minimum standard is a reasonable beginning to this ultimate goal: Now, therefore, be it

*"Resolved by the Assembly and the Senate of the State of California (jointly), That the Congress of the United States is respectfully memorialized to enact legislation at the earliest possible date to provide for an increase in the national minimum-wage structure; and be it further*

*"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate of the United States, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."*

A joint resolution of the Legislature of the State of California; to the Committee on Military Affairs:

**"Assembly Joint Resolution 22"**

"Joint resolution memorializing Congress to make farm machinery, implements, and housing available

"Whereas it appears that this Nation is facing a serious shortage in its food supply by reason of the obligation it has accepted to feed a large portion of the population of this world; and

"Whereas many veterans have returned to the farm and have acquired or leased land for farming, but have been unable to procure machinery, implements, and housing for farm purposes; and

"Whereas it is reported that the United States is the owner of a vast amount of surplus machinery, equipment, and housing facilities suitable for use in farming operations; and

"Whereas many farmers other than veterans are now seriously hindered in their farm operations by shortages of machinery, implements, and housing facilities: Now, therefore, be it

*"Resolved by the Assembly and Senate of the State of California (jointly), That the Congress and administrators of the United States Government are requested to take such action as may be necessary to make such surplus machinery, equipment, and housing facilities immediately available to farmers generally for the purpose of producing the world's food supply; and be it further*

*"Resolved, That in such distribution preference shall be given to veterans; and be it further*

*"Resolved, That the chief clerk of the assembly shall transmit copies of this resolution to the President of the United States, the Speaker of the House of Representatives, President pro tempore of the Senate, the Honorable Clinton Anderson, Secretary of Agriculture, and to each Senator and Representative from California in the Congress of the United States."*

A joint resolution of the Legislature of the State of California; to the Committee on Public Lands and Surveys:

**"Senate Joint Resolution 9"**

"Joint resolution relative to establishment of national parks

"Whereas there are several national parks within the State of California embracing large areas of forest land, and providing recreational facilities for many thousands of tourists; and

"Whereas certain of these national parks could be further developed to accommodate more people, and many forested areas could be made accessible which are now inaccessible to motorists; and

"Whereas the establishment of new national parks in this State is not necessary in those areas containing redwood forests; and

"Whereas the State has established and is maintaining State parks in various parts of California, including the Redwood Highway area, which includes a large portion of Humboldt, Mendocino, and Del Norte Counties; and

"Whereas the creation of new national parks in counties which depend to a large measure on the lumber and sawmill industry would remove areas of valuable land from the county tax rolls and reduce the revenues of such counties, and tend to impair their financial structure: Now, therefore, be it

*"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States that no more national parks be established in the forested areas of California, especially those areas containing large redwood forests; and be it further*

*"Resolved, That the secretary of the senate be directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."*

A joint resolution of the Assembly of the State of California; to the Committee on Public Lands and Surveys:

**"House Resolution 114"**

"Resolution relative to the investigation of the United States Forest Service

"Whereas the United States Forest Service has undertaken a general program of reducing the number of livestock on forest ranges, and has reduced permitted numbers as much as 60 percent in some areas and has eliminated livestock from some ranges entirely; and

"Whereas the method used by the Forest Service in determining the extent of the cuts and effecting them are arbitrary, dictatorial,

and inconsiderate of the interests of the permittees whose homes and lifetime investments are at stake; and

"Whereas it is vital to the stability of the livestock industry and to the food supply of the Nation that forest permittees have the right to a fair and impartial adjudication of the issues arising between them and the United States Forest Service, and that such permittees be given more security of tenure so that they may plan their livestock operations intelligently: Now, therefore, be it

*"Resolved by the Assembly of the State of California, That the Assembly of the State of California hereby memorializes the Congress of the United States to make a thorough investigation of the United States Forest Service and the basis of its policies for the purpose of enacting legislation which would prevent the aforementioned evils and limit the Service to the performance of administrative functions; and be it further*

*"Resolved, That the chief clerk of the assembly shall transmit copies of this resolution to the President of the United States, the Presiding Officers of each House of the Congress, and to the Senators and Representatives in the Congress from California."*

**STABILIZATION OF AMERICAN ECONOMY—RESOLUTION OF HUTCHINSON (KANS.) TEACHERS' ASSOCIATION**

Mr. CAPPER. Mr. President, I have received a resolution adopted by the Hutchinson (Kans.) Teachers' Association urging the Government to maintain a stabilized economy so as to avoid inflation during postwar years and keep the cost of living under control. I ask unanimous consent to present the resolution, and that it be referred to the Committee on Banking and Currency and printed in the RECORD.

There being no objection, the resolution was received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Resolution commending the Federal Government for its efforts to maintain a stabilized economy and urging further action to avoid inflation during postwar years

Whereas living costs have been partially held in check during the war years; and

Whereas many powerful forces are now exerting extreme pressure on the Government to remove restrictions on inflation; and

Whereas many millions of workers can never hope to secure salary increases fast enough to catch up in a race with inflation: Therefore be it

*Resolved by the Hutchinson Teachers' Association of Hutchinson, Kans., That suitable agencies and individuals of the United States Government be highly commended for their heroic efforts to keep the cost of living under control while the war was being fought; and be it further*

*Resolved, That suitable agencies and individuals of the United States Government be urged to stabilize our economy and exert every effort to avoid further inflation during the postwar years.*

GOLDA CRAWFORD,  
President, Hutchinson Teachers'  
Association, Hutchinson, Kans.

**SCHOOL-LUNCH PROGRAM—LETTER FROM PRESIDENT OF AMERICAN DIETETIC ASSOCIATION**

Mr. CAPPER. Mr. President, I have received a letter from Bessie Brooks West, president of the American Dietetic Association, Manhattan, Kans., praying for enactment of Senate bill 962, known as the school-lunch bill, for which I voted yesterday. I ask unanimous consent to

present the letter and that it be appropriately referred and printed in the RECORD.

There being no objection, the letter was received, ordered to lie on the table, and to be printed in the RECORD, as follows:

THE AMERICAN DIETETIC ASSOCIATION,  
February 11, 1946.

SENATOR ARTHUR CAPPER,

United States Senate, Washington, D. C.

DEAR SENATOR CAPPER: The American Dietetic Association is giving its hearty support to bills S. 962 and H. R. 3370 for the following reasons:

1. There is a need for legislation providing for a permanent school-lunch program.
2. This permanent program should make provision for proper supervision and adequate nutritional education.
3. There should be cooperation on the Federal level between the Department of Agriculture and the Office of Education directed toward intelligent coordination of activity. Likewise, provisions should be made for cooperation and coordination on the State level. Otherwise, political implications arise which tend to obscure the whole point of the program as it reaches State levels.
4. A strong and independent division within the Department of Agriculture should be established to direct this important assignment. This division should be staffed with individuals having adequate training to assume the responsibility of a program directed toward improving and maintaining the nutritional well-being of American school children.

5. Provisions for coordination and cooperation between the United States Department of Agriculture and the Office of Education are essential for the sort of program desired by this group.

In addition to the immeasurable benefits that this legislation will mean to the children of our Nation, it will also be an aid to the farmer by providing an orderly distribution of his farm products. You may recall that in 1945, the United States Department of Agriculture reported a total expenditure of \$89,547,160 for food, estimated on the basis of contractual requirements contained in agreements between the War Food Administration and school-lunch-program sponsors.

When S. 962 is considered by the Senate, it is my hope that you will vote in favor of its passage.

Sincerely yours,

BESSIE BROOKS WEST,

President, American Dietetic Association.

#### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LANGER, from the Committee on Indian Affairs:

S. 1305. A bill to confer jurisdiction on the State of North Dakota over offenses committed by or against Indians on the Devils Lake Indian Reservation; without amendment (Rept. No. 997).

By Mr. MORSE, from the Committee on Claims:

S. 1591. A bill to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments and allow such credit therefor as is necessary in the accounts of Guy F. Allen, chief disbursing officer; without amendment (Rept. No. 998);

H. R. 1090. A bill for the relief of Mrs. Margaret McWilliams; without amendment (Rept. No. 999);

H. R. 2008. A bill for the relief of the village of Cold Spring, Minn.; with an amendment (Rept. No. 1009);

H. R. 2748. A bill for the relief of the Dubuque & Wisconsin Bridge Co.; without amendment (Rept. No. 1000); and

H. R. 3224. A bill for the relief of Mrs. Lionel Comeaux and New Orleans Public

Service, Inc.; without amendment (Rept. No. 1001).

By Mr. ELLENDER, from the Committee on Claims:

S. 1504. A bill for the relief of Edith Roberta Moore; with an amendment (Rept. No. 1003);

H. R. 3904. A bill for the relief of Haymond C. Campbell; with an amendment (Rept. No. 1004); and

H. R. 4269. A bill for the relief of Ida Barger, Hazel A. Beecher, Etta Clark, Jesse Ruth France, John W. Nolan, Anna Palubicki, and Frank J. Schrom; without amendment (Rept. No. 1002).

By Mr. EASTLAND, from the Committee on Claims:

H. R. 3012. A bill for the relief of George W. Murrell and Kirby Murrell, a minor; with an amendment (Rept. No. 1005).

By Mr. HUFFMAN, from the Committee on Claims:

S. 1609. A bill for the relief of Catherin Gilbert; with an amendment (Rept. No. 1007);

S. 1627. A bill for the relief of Mrs. Isabel N. Miffin; with an amendment (Rept. No. 1008); and

S. 1840. A bill for the relief of the Danvers Shoe Co., Inc.; without amendment (Rept. No. 1006).

#### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Utah:

S. 1869. A bill to amend the Pay Readjustment Act of 1942, as amended, so as to provide an increase of 20 percent, and for other purposes; to the Committee on Military Affairs.

By Mr. MAGNUSON:

S. 1870. A bill to authorize the appointment as Foreign Service officers of persons who have served honorably in the armed forces of the United States during World War II but are now precluded from such appointment by reason of certain citizenship requirements; to the Committee on Foreign Relations.

By Mr. WALSH:

S. 1871. A bill to authorize the conveyance of a parcel of land at the Naval Supply Depot, Bayonne, N. J., to the American Radiator & Standard Sanitary Corp.; and

S. 1872. A bill to provide for the rank of original appointments in the Corps of Civil Engineers of the United States Navy, and for other purposes; to the Committee on Naval Affairs.

By Mr. HART:

S. 1873. A bill granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate a toll bridge across the Connecticut River at or near Old Saybrook, Conn.; to the Committee on Commerce.

By Mr. ROBERTSON:

S. 1874. A bill to increase and stabilize the United States domestic wool production and to further stabilize the importation of raw wool from foreign countries; to the Committee on Agriculture and Forestry.

By Mr. PEPPER:

S. 1875. A bill to authorize and request the President to undertake to mobilize at some convenient place in the United States an adequate number of the world's outstanding experts, and coordinate and utilize their services in a supreme endeavor to discover means of curing and preventing cancer; to the Committee on Foreign Relations.

#### NATIONAL HOUSING POLICY— AMENDMENT

Mr. MURDOCK (for himself and Mr. WAGNER) submitted an amendment intended to be proposed by them, jointly,

to the bill (S. 1592) to establish a national housing policy and provide for its execution, which was referred to the Committee on Banking and Currency and ordered to be printed.

#### WAR DEPARTMENT CIVIL APPROPRIATION BILL, 1947—AMENDMENT

Mr. PEPPER submitted an amendment intended to be proposed by him to the bill (H. R. 5400) making appropriations for the fiscal year ending June 30, 1947, for civil functions administered by the War Department, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed, as follows: On page 6, line 16, strike out the figure "\$97,883,250" and insert in lieu thereof the following: "\$158,578,650, or such portion thereof as the Chief of Engineers may estimate can be economically expended during the fiscal year ending June 30, 1947, and in accordance with his recommendations to Congress."

#### MARINE INSURANCE ON CERTAIN UNITED STATES EXPORTATIONS

Mr. RADCLIFFE submitted the following concurrent resolution (S. Con. Res. 57), which was referred to the Committee on Banking and Currency:

*Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that any loan made by the Export-Import Bank of Washington or any other instrumentality of the Government for the purchase of United States products for exportation, or any part of which may be used for such purchase, should be conditioned upon an agreement by the borrower that any marine insurance placed on such products shall be placed in the United States with companies lawfully doing business in one or more of the States, unless the Maritime Commission, after investigation, shall certify to the lending instrumentality that such insurance with respect to the particular products involved is not available in the United States at reasonable rates and on reasonable terms and conditions.*

#### ADDRESS BY SENATOR MYERS AT ANNUAL FOUNDER'S DAY DINNER OF THE GENERAL ALUMNI ASSOCIATION OF TEMPLE UNIVERSITY

[Mr. MYERS asked and obtained leave to have printed in the RECORD an address delivered by him at the annual founder's day dinner of the General Alumni Association of Temple University, Philadelphia, February 15, 1946, which appears in the Appendix.]

#### WASHINGTON'S BIRTHDAY ADDRESS BY SENATOR MAYBANK

[Mr. MAYBANK asked and obtained leave to have printed in the RECORD an address delivered by him on February 22, 1946, before the Washington Light Infantry, at Charleston, S. C., which appears in the Appendix.]

#### UNITED NATIONS ORGANIZATION—ADDRESS BY SENATOR PEPPER BEFORE INDEPENDENT VOTERS OF ILLINOIS

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an address delivered by him before the Independent Voters of Illinois, at Chicago, Ill., on June 29, 1945, on the subject of the United Nations Organization, which appears in the Appendix.]

#### INTERNATIONAL EXCHANGE OF STUDENTS—EDITORIAL COMMENT

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD an article entitled "Idea for Friendship," written by William Philip Simms and published in the



Washington Daily News of February 26, 1946, and an editorial entitled "Student Exchange," published in the Washington Post on February 19, 1946, on the subject of international exchange of students, which appear in the Appendix.]

**LABOR UNIONS IN THE NATIONAL ECONOMIC PICTURE—EDITORIAL FROM WABASH PLAIN DEALER**

[Mr. WILLIS asked and obtained leave to have printed in the RECORD an editorial entitled "Is This Paper Against Unions?" published in the Wabash Plain Dealer, which appears in the Appendix.]

**CARL SCHURZ AND THE REBIRTH OF GERMANY**

Mr. WILEY. Mr. President, I derive inspiration from many lives of the past. We all have our personal friends in history—philosophers, statesmen, poets, men of the church. In our own history Washington, Lincoln, Webster, Hamilton, Jefferson, Beecher, and many others, have contributed to my little store of knowledge.

When a boy I became interested in an American by the name of Carl Schurz. March 2, 1946, will mark the one hundred and seventeenth anniversary of the birth of this great American, a great German-American.

In anticipation of this anniversary, I should like to say a few words about a subject which would be dear to the heart of this great statesman—the rebirth of Germany along the lines of progress, peace, and her true, illustrious culture.

This is a subject dear to the hearts of all Americans of German descent, men and women who have made an indispensable contribution to the economic, political, and social life of our beloved Nation. It is a subject also of vital interest to every American who respects the German of culture and science.

It is particularly appropriate to consider the redirection of the great German talents along peaceful lines at this time when:

(a) There is grave concern as to the adequacy of administration of the American-occupied zone of Germany with its 15,000,000 souls.

(b) There is concern for the well-being of the stricken population of all of Germany and Austria in the present food crisis.

(c) There is anxiety over the conflicting policies of Russia, England, France, and the United States with regard to the rebirth of Germany.

I know, Mr. President, that in even daring to raise these issues, I shall be attacked in certain quarters as being everything from a Germanophile to a Nazi-lover.

Recently I have been in correspondence with our American authorities in Germany on behalf of adequate relief there. For my efforts, I have been subject to sneering attacks from several sources, particularly those who have hysterically alleged some mystic biologic condition in the German people which makes them eternal enemies of mankind.

Mr. President, in listening today to our distinguished associate [Mr. VANDENBERG], I am sure we were all impressed by the realization that the great United Nations Organization cannot and will

not be a success unless there is back of it the great peoples of earth with the will, the desire, the purpose, and the vision to cooperate. That is true of the 70,000,000 Germans who need to be reborn. That is the problem.

**MY POSITION ON GERMANY**

Let me deny these base accusations against myself and against this people who have given so much that is good and true and helpful to the arts, the sciences, and all phases of humanity's endeavor.

My whole purpose in raising this subject is this:

To make certain that we and our allies do everything possible to help the German people to help themselves, to get them back on their feet, so that they can make their vital, peaceful contribution to Europe and to the world.

Because I am concerned with food conditions in Germany does not mean that I am one bit less concerned with food conditions among those who fought alongside us in the war just concluded.

Because I am anxious to see Germany make peaceful contributions to the world does not mean that I am one bit less anxious to see that Germany never again takes up the sword.

It is on this basis that I have urged that the members of the Voluntary Relief Committee which recently toured Germany be invited to testify before the appropriate Senate committee on the facts regarding food conditions there.

It is on this basis that I am now awaiting a reply from Gen. Mark W. Clark on food conditions in Austria.

It is on this basis that I shall continue to point out the strengths and weaknesses of Allied policy regarding Germany.

**GERMANY CAN BE HELPED BACK TO THE ROAD OF PEACE**

In the February issue of the Reader's Digest there is an article by Frederic Sondern, Jr., one of the editors of this widely read magazine. The title of Mr. Sondern's article is We Are Bungling the Job in Germany.

Editor Sondern's comments have been substantiated by on-the-spot observations from other objective reporters which have appeared in our daily press and many prominent periodicals, including the Saturday Evening Post.

Mr. Sondern said in part:

With the establishment of American Military Government over a quarter of Germany and 15,000,000 Germans, we undertook the most difficult and important foreign political task in our history. We are not doing well at it. Our Berlin headquarters is deadlocked in disagreements with our allies. Our Military Government, which redeployment is rapidly stripping of its experienced men, is becoming a laughing stock in the Reich. And the population, which has learned little from defeat, is not impressed by our works or our representatives.

This alleged record of general failure is the more tragic and the more inexcusable in the light of two facts:

First. In isolated, specific instances our Military Government has been successful in weaning Germans away from the Nazi way of thought.

Second. In the United States, Americans of German ancestry have been

among the most effective contributors to national defense in time of war and to national welfare in time of peace, with the progress of this Republic ever present in their minds and in their hearts.

A Member of the House of Representatives who visited the American zone of occupation in Germany had this revealing incident to relate, indicative of the possibilities of winning the German people away from the Nazi ideology:

The Congressman was asked to accompany a constituent of his, a German-speaking sergeant, to a meeting in a village hall. The Congressman did not speak German, and the sergeant volunteered to give him an account of what was taking place. The burgomeister called the meeting to order. For some minutes there was a serious discussion. Then the burgomeister called upon the sergeant for a few words. The sergeant began by reading a few rules of conduct expected of the community. After that, he abandoned his prepared speech and launched into a swift flow of German. This had gone on for only a minute or two when, from the back of the room, the older men burst into loud cheers and hand clapping. The burgomeister hastily adjourned the meeting. When the Congressman asked the sergeant what had brought on the demonstration, the sergeant replied: "I merely told the older men, 'Now, you are the heads of your own families. If your children do what you think is wrong, you can now punish them without fear of having them turn you over to the gestapo.'"

By those simple words, discipline had been restored in over a score of German homes. Old teachings, true teachings—precepts of honor and of honesty—could once more be uttered without the looming horror of the concentration camp. The tragedy of this picture is that a like liberation could not take place or did not take place throughout our entire occupation area.

What all this evidence points to is that there still remains some assurance that there is hope for the German people of today if—and it is a big if—our occupation policies bring out the good which remains in them. The whole world may be at peace, but heredity and environment are at war still in Germany. We must throw our weight on the side of heredity. We must change their environment from a Nazi environment to a free environment. We cannot just mark time, waiting for the coming of the Hitler of 1960.

Somewhere in the past the German people stood at a point where two roads branched. Their people had produced scientists, musicians, philosophers, engineers, artists, religious and educational leaders. Some of the German people—in fact, most of them—followed false leadership down the wrong road to national socialism and ultimate defeat after the most devastating war in all history. Other Germans, when personal freedom was dead in their own country, fled to the United States. Here, under our Constitution, they built their lives anew and have become an integral part of the social, economic, and political development of our Nation.

## GERMANY'S CONTRIBUTIONS TO AMERICA

On January 24, 1946, the Senator from Alabama [Mr. BANKHEAD] declared:

Let us consider the Germans. Relatively speaking, this country is full of Germans. There are in the United States, of foreign born, 1,237,772 Germans. I got those figures from the Census yesterday. There are of Germans born in the United States, one or both parents German, 3,998,850, nearly 4,000,000 mixed-breed Germans.

The Senator's figures, however, only took into consideration Americans born in Germany and Americans one or both of whose parents were born in Germany. What of the unnamed millions of Americans—the so-called second, third, fourth, and fifth generations of Americans—whose remote ancestors were of German origin? What of the unnumbered Americans of German ancestry who have Americanized their names so that the traces of their German origin have been lost in time? The father of the late Senator George Louis Wellington took that name and dropped his own name of Weissgerber when he was naturalized. The well-known name of Rockefeller was known to the German members of that family as Rogenfelder.

Let us look at what Germans, individually and collectively, did for America and for these United States before the continental Germans chose the totalitarian road.

As far back as 1486, Martin Behaim, the Nuernberg astronomer, served King John of Portugal by making researches in navigation. These experiments helped to lay the groundwork for the voyage of Columbus 6 years later. Martin Waldseemuller of Freiburg gave the very name "America" to the New World. In 1507 he suggested in his book, *Cosmographie Introduction*—

I do not see why anyone may justly forbid it (the New World) to be named after Americus, its discoverer, a man of sagacious mind, Amerige, that is the land of Americus, or America, since both Europe and Asia derived their names from women.

I can point to many German pioneers in the Western Hemisphere: to the Fugger colony in Peru, the Welser colony in Venezuela and San Domingo, to the Germans whom Capt. John Smith mentioned as being among the early settlers in Jamestown, to John Lederer of Hamburg who was commissioned by Governor Berkeley of Virginia to lead exploring expeditions. I can tell of German settlements in New York, in Pennsylvania, of the "Cote des Allemands"—the German Coast—of Louisiana, and of the pioneering Germans in the midwestern States of Missouri, Ohio, Illinois, Iowa, Minnesota, Nebraska, and my own Wisconsin. How many know that Washington's bodyguard was made up of Germans commanded by Major von Heer, that one of the first American heroines, Molly Pitcher, was born Marie Ludwig? That the Schells, the Zanes, and the Wetzelz were names to conjure by on our first frontiers? I could show the great waves of German immigration during the Nineteenth Century which added so much to the commerce, the culture, and the communities of the United States. I could present the picture of Wendeln Grimm, later arrived in Minnesota

from Germany with a sack of seeds that were later to become the basis of the great American alfalfa crop. I could use as an example the service of agricultural chemist, George Hoffer, in building soils with nitrogen, potash, and phosphorus.

And who can dispute the German origin of such names as Kruger, Nimitz, and Eisenhower?

I have shown what Americans of German ancestry contributed to this country. If time permitted I could show even more. But the valuable service of all Americans of German heredity can best be shown by examining the life of one of their number. I refer to that great and distinguished American, Carl Schurz.

## CARL SCHURZ—GREAT GERMAN-AMERICAN

Mr. President, I stated that I desired to say a few words about Carl Schurz. He was born on March 2, 1829, near Cologne. He refused to take the turning of the road that led to totalitarianism. He fought the trend which ended in Hitler. When he could no longer resist that trend, he left Germany for the United States. For a time, he lived in Philadelphia. Wisconsin knew him as a resident of both Watertown and Milwaukee—prominent in Republican affairs since 1856, as chairman of the Wisconsin delegation to the Republican National Convention of 1860. Illinois knew him as a speaker, fighting for Abraham Lincoln during the historic Lincoln-Douglas debates. Michigan knew him as the editor of the *Detroit Post*. Missouri knew him as coproprietor and editor with Emil Praetorius of the *St. Louis Westliche Post* and as United States Senator from Missouri. New York knew him as a contributor to *Harper's Weekly*, as editor in chief of the *New York Evening Post* and as a pioneer in civil-service reform. The North knew him as a brave and able general during the War Between the States. The South knew him for his fearless report to President Johnson in which he advocated the readmission of the Confederate States with complete restoration of rights and a full investigation of further needs by a congressional committee. The country as a whole knew him as an honest, far-seeing Secretary of the Interior, the office for which Mr. Krug has been nominated.

Significantly enough, it is Carl Schurz who provided the key to the present situation in the American zone of occupation in Germany. Once, when the late Senator Carpenter, of Wisconsin, tried to overwhelm one of Schurz's arguments with Decatur's slogan "My country—right or wrong," Schurz delivered his now famous retort: "My country, right or wrong; if right to be kept right, if wrong to be set right."

## THE CHALLENGE TO AMERICA FOR A PEACEFUL GERMANY

It still lies within the power of this country today to keep right those conditions in our zone of occupation in Germany which are right and to set right those conditions that are wrong. It is a great task. But it is, also, a great challenge. The German people must be diverted back onto that road of progress from which they were taken away over a century ago. Will we help them to their

destiny of being contributors to civilization? Or will we allow them to remain on the evil road of totalitarianism to be—in another generation—once again the destroyers of civilization? We must act—fearlessly, honestly, speedily—as Carl Schurz would have wanted us to act. This is our job. This is our responsibility. For the sake of our children and our children's children, we dare not fail.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 3370) to provide assistance to the States in the establishment, maintenance, operation, and expansion of school-lunch programs, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. FLANNAGAN, Mr. COOLEY, Mr. ZIMMERMAN, Mr. PACE, Mr. HOPE, Mr. KINZER, and Mr. ANDRESEN were appointed managers on the part of the House at the conference.

## LEAVE OF ABSENCE

Mr. WILEY. Mr. President, in view of the fact that I have to be in Buffalo tomorrow, I ask consent that I may be excused from attendance on the Senate this afternoon and Thursday.

The PRESIDING OFFICER (Mr. MURDOCK in the chair). Without objection, the leave is granted.

## MODIFICATIONS IN THE AUTHORIZATION FOR CERTAIN SUBSIDIES

Mr. BARKLEY. Mr. President, I ask unanimous consent that the unfinished business, which is the deficiency appropriation bill, be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1000, House Joint Resolution 301.

The PRESIDING OFFICER. The clerk will state the joint resolution by title.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 301) to amend Public Law 30 of the Seventy-ninth Congress, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky?

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on Banking and Currency with amendments.

Mr. BARKLEY. Mr. President, I wish to make a brief statement with reference to House Joint Resolution 301, which the Committee on Banking and Currency has unanimously reported, instead of similar resolutions which were pending before the committee and which had been introduced in the Senate.

In the present law Congress authorized an over-all subsidy expenditure of \$1,500,000,000. That covered a great many commodities, some of which have been released from the subsidy provisions. In other words, subsidies have either been discontinued or reduced on some articles; but the joint resolution provides for the continuation of the subsidy on sugar beyond the first of July, and also provides for a subsidy on processed vegetables



which will be processed prior to June 30, and on flaxseed which is harvested prior to July 1, 1946. It also provides for \$125,000,000 for meat subsidies and \$25,000,000 for flour subsidies, which will not require any additional authorization, but will be payable out of the authorization already made, and which is available because of the reduction or discontinuance of other subsidies.

The situation in regard to sugar is, briefly, as follows: There is a scarcity of sugar in this country, as we all know. The Government of the United States, in order to encourage sugar production, especially in Puerto Rico and Hawaii, provided a subsidy, and also authorized the expectation of an increase in the price of sugar. That was for the planting of the crop in 1945, but it is known as the 1946 crop of sugar. It is necessary in order that such sugar may be imported into the United States and relieve the shortage of sugar, that there be an increase in price of one-half cent a pound. That means that the Government will lose, by reason of the subsidy, approximately six-tenths of a cent or three-fifths of a cent a pound in addition that cannot be absorbed by the increase. That will cost the Government between \$23,000,000 and \$25,000,000 for the period of 1946, because we do not limit the subsidy payments on this sugar to June 30, 1946, as we do in the case of the other items contained in the bill. So that in order that we may facilitate the importation and distribution of this sugar, which is a very scarce commodity in the United States, we have provided that the sugar subsidy may continue through 1946, and beyond July 1, because it will not be entirely marketed by that date, but will be marketed throughout the year.

The committee also provided that the subsidy might be continued on processed vegetables which are processed prior to July 1. That will cost a total of from \$5,000,000 to \$8,000,000.

The committee also by an amendment provided for the continuation of the subsidy on flaxseed harvested prior to July 1. That will cost approximately \$1,000,000.

We have provided in the joint resolution that the subsidy on meats shall continue until the 30th of June, and we have allocated out of the funds heretofore authorized, but, as I said, it will not involve any increased authorization, \$125,000,000 for meats and \$25,000,000 for flour. The truth is that the \$25,000,000 for flour in part is made necessary because wheat is selling at approximately parity, and at the ceiling price. It went up a little faster and a little sooner than was expected, and this extra \$25,000,000 is necessary in order to carry on this program for the remainder of the fiscal year ending June 30.

I might also make a further statement, Mr. President, in view of the situation existing in the meat-packing industry. What I shall speak of is not in the joint resolution, and it is not necessary to be in the measure, but I desire to make the statement so it will be in the RECORD because it developed too late to print it in the report. There have been certain wage increases in the packing industry,

and, as a consequence, there will be certain increases in the price of meat. I think the increase will be approximately 1½ cents a pound. The wage increases in some cases will be retroactive to January 26, but there is no way by which to make ceiling prices retroactive. Therefore, there is a gap between the effective date of the wage increases and the effective date of the ceilings on processed meats, and it will be necessary for the Government to bridge that gap, which will cost about \$15,000,000. It takes about 60 days for the Office of Price Administration to work out the schedule of ceilings to correspond with the increases which have been made in wages.

This briefly is an explanation of the joint resolution. It has passed the House, and was unanimously reported by the Committee on Banking and Currency. Its enactment is necessary in order to carry on the program for the remainder of the present fiscal year, and extend the sugar program beyond the 1st of July. As I have said, it involves no additional authorization, but will be paid out of funds heretofore authorized to carry on the subsidy program.

Mr. TAFT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hart	Overton
Austin	Hatch	Pepper
Bailey	Hawkes	Radcliffe
Ball	Hayden	Reed
Bankhead	Hickenlooper	Revercomb
Barkley	Hill	Robertson
Bilbo	Hoey	Russell
Brewster	Huffman	Saltonstall
Bridges	Johnson, Colo.	Shipstead
Briggs	Johnston, S. C.	Smith
Buck	Knowland	Stanfill
Bushfield	La Follette	Stewart
Butler	Langer	Taft
Byrd	McCarran	Thomas, Okla.
Capper	McClellan	Thomas, Utah
Carville	McFarland	Tobey
Chavez	McKellar	Tunnell
Cordon	McMahon	Tydings
Donnell	Magnuson	Vandenberg
Downey	Maybank	Walsh
Ellender	Mead	Wheeler
Ferguson	Millikin	Wherry
Fulbright	Mitchell	White
George	Moore	Wiley
Gerry	Morse	Willis
Gossett	Murdock	Wilson
Green	Myers	Young
Gurney	O'Mahoney	

The PRESIDING OFFICER. Eighty-three Senators have answered to their names. A quorum is present.

Mr. TAFT. Mr. President, the joint resolution is in the nature of a deficiency subsidy measure. Last year the Congress fixed the subsidy program, under the provisions of the law which was enacted forbidding subsidies to be paid without express authority of Congress. Congress then, in two laws, one for the RFC and one for the Commodity Credit Corporation, established the subsidy program. The total authorized subsidy payments contained in the law relating to the RFC amounted to \$1,503,000,000. In that sum is contained a subsidy for meat in the amount of \$595,000,000, and a subsidy for flour in the amount of \$190,000,000. The meat subsidy will expire about the first of May. The butter subsidy has been partially discontinued. The sum of \$190,000,000 which was al-

located for flour will expire sometime around the first of May.

The last amendment in the pending measure is designed to increase the meat subsidy by \$125,000,000 and the flour subsidy by \$25,000,000, so as to enable the present subsidies to be continued until the 1st of July.

Mr. President, so far as I am concerned, I have always been opposed to these subsidies.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. REVERCOMB. Will the Senator explain how the flour subsidy is paid and to whom it is paid?

Mr. TAFT. The flour subsidy is paid to the millers. The reason given for the required increase in the flour subsidy is that the price of wheat has increased above the figure at which the subsidy was originally calculated. So, in order to hold the price of flour at the same figure where it was, the millers have been paid a gradually increasing subsidy and have used up in 10 months a subsidy which was intended to last for 12 months. That is approximately the situation in respect to flour.

Mr. AIKEN. Mr. President, let me inquire of the Senator whether the price of wheat is now above parity.

Mr. TAFT. The testimony was that the price of wheat is exactly at parity, and has been for several months.

Mr. AIKEN. Then, the subsidy is to cover the increased cost of milling, so as to hold down the price of bread. Is that correct?

Mr. TAFT. Yes; it is to hold down the price of bread.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. LANGER. I wish to refer to the time when the distinguished senior Senator from Ohio was assistant to Herbert Hoover, at the time Mr. Hoover was Food Administrator during World War I. Is it not true that today the price of wheat is almost half what it was at that time?

Mr. TAFT. Yes; my impression is that at that time the maximum price for wheat was \$2.25 a bushel, and subsequently, as I recall, it was \$2.50 a bushel. For the crop in 1919, according to my recollection, the price was \$2.50 a bushel. Today it is about \$1.65.

Mr. LANGER. Yes. I wonder whether the Senator can tell us whether anything the farmer buys is cheaper now than it was during World War I.

Mr. TAFT. I am afraid I do not know. My impression is that it is not, but I could not make an unqualified statement on the subject because I do not know the facts.

Mr. LANGER. Coming from an agricultural section of the country, as I do—

Mr. TAFT. I am glad to yield to the Senator.

Mr. LANGER. And knowing the situation there, I can say that the truth of the matter is that farm machinery, for example, costs more today than it did during World War I. At that time farmers were receiving \$2.26 for their wheat in Minneapolis. At the present time, as the Senator from Ohio has said,

wheat is selling for 60 cents or more cheaper. The farmer receives that much less for his wheat.

Mr. SHIPSTEAD. And, Mr. President, at that time, during the First World War, beef was selling for 17 or 18 cents a pound.

Mr. LANGER. Yes.

Mr. TAFT. Of course, Mr. President, not only is the price of farm machinery high, but with the increase granted to steelworkers and with the increase in the price of steel it will be necessary to increase the price of farm machinery. The result will be that the price of farm machinery will be higher, rather than lower.

Mr. LANGER. I should like to have the distinguished Senator tell me how the farmers are going to exist, with wages increasing and the price of farm machinery increasing, if the prices paid for crops are lower than they are now. How are the farmers going to exist with eggs, for example, selling at 22 cents a dozen?

Mr. TAFT. I am afraid that question is one which I cannot answer. I do not have the figures, and I do not know the facts. I cannot say whether it can be done or cannot be done; I cannot give a proper answer.

Mr. REVERCOMB. Mr. President, will the Senator further yield?

Mr. TAFT. I yield.

Mr. REVERCOMB. The able Senators who have asked questions have made a point about the low price of wheat, as compared to the price of wheat following and during World War I. The very point of the inquiry I made a few moments ago—I asked where the subsidy was paid, and the direct answer of the Senator from Ohio was that it was paid to the processor or miller—was that it does not in any way, as I understand, affect the price the farmer receives for his wheat.

Mr. TAFT. I think the subsidies paid today are consumer subsidies. Certainly these two are, and perhaps all food subsidies are. Today the effect is to pay out \$60,000,000 a month in order to make it unnecessary to increase the price of meat 4 cents a pound. That means we are drawing from the Treasury of the United States \$720,000,000 a year which we would not have to draw from the Treasury if we were willing to increase the consumer's price of meat by 4 cents a pound. The testimony was that that would be the increase in the wholesale price, and that in the process of distribution the increased cost to consumers might be 5 cents a pound.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. In speaking of the effect the subsidy would have on the prices paid for farm products, particularly wheat and meat, let me say there is an indirect benefit growing out of the fact that if it were not for the subsidy the purchaser of wheat or livestock would have to reduce the price paid to producers or would have to increase the price charged to consumers. So in a sense the subsidy does enable them to pay for both wheat and livestock the prices they are paying, and not have to increase the cost of the finished prod-

ucts to the public. That happens by reason of the subsidy we are providing for. That may be an unsound policy, but it does work both ways.

Mr. TAFT. If the subsidy were abolished, it might be that that increase in price would be charged back to the farmer. But as I analyze prices and wages at the present time, the price level is below the wage level and in some cases it is below the cost of production. If we wish to have any production at all, I think the course suggested, namely, of turning this back at a lower price to the farmer, is an utterly impractical course. If we took off the controls, I think the increased price would be passed on to the consumers. The subsidies we are paying today result, as a practical matter, simply in holding down the prices to consumers. In theory, of course, the increase might go back to the farmer.

Mr. BARKLEY. Yes.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. SHIPSTEAD. What is the total amount of food subsidies paid at this time?

Mr. TAFT. Food subsidies are being paid at a rate in excess of \$1,500,000,000, in fact, about the rate of \$1,700,000,000, I think. The largest item is the one to which I have referred, namely, \$720,000,000 for meat. Added to that is \$568,000,000 for dairy products, making a total of \$1,300,000,000.

Mr. SHIPSTEAD. Yes.

Mr. TAFT. With this addition the flour subsidy will amount to more than \$200,000,000. So the total will be \$1,500,000,000. Then there are various incidental subsidies which I think bring up the total figure to approximately \$1,700,000,000.

Mr. SHIPSTEAD. \$1,700,000,000?

Mr. TAFT. That is correct.

Mr. SHIPSTEAD. Subsidies in that amount are paid in order to keep down the price of food at the present time. Is that correct?

Mr. TAFT. That is correct.

The President said in his speech that to take off these subsidies would increase the cost of living by 3 percent, which he considered so outrageous that he refused to consider a decrease in the subsidies. He proposed that the subsidies continue during the entire year 1947, although at the same time he is recommending a wage increase and salary increases for Government employees amounting to anywhere from 15 percent to 20 percent, which certainly should enable them to pay an increase of 3 percent in the cost of living.

Mr. SHIPSTEAD. Mr. President, will the Senator further yield?

Mr. TAFT. I yield.

Mr. SHIPSTEAD. The essence, then, is that we are now borrowing money, which is to be paid back in the future, in order to keep the prices of food at the present levels. Is that correct?

Mr. TAFT. That will be the case so long as the Government is operating at a deficit and so long as we add this additional expenditure, which incidentally is not included in the President's Budget for the year 1947. It means a further addition to the national debt.

Mr. SHIPSTEAD. In other words, it means that we shall be postponing the payment of a good share of our food bill for the food we are now eating, to a time in the future when payment will be made out of the taxes paid into the Treasury by the people, or from the proceeds of the bonds which are now being sold.

Mr. TAFT. The Senator is entirely correct.

Mr. BARKLEY. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. BARKLEY. The Senator mentioned the increase of 15 or 20 percent in salaries and wages which the President is recommending, and the Senator said that as a result of that increase the workers should be able to pay a 3-percent increase in the cost of living. Of course, the Senator realizes that the increase mentioned by the President related not alone to the cost of food which is being subsidized. Three percent would not in any way represent the total increase in the cost of living if all controls were removed and if commodities not subsidized at all were taken into account. In that event, the increase in the cost of living might amount to as much as the increases of wages which the President has recommended.

Mr. TAFT. The Senator makes a proper point. I may also suggest that we reduced taxes 3 percent last year in order to help consumers pay the additional cost-of-living bill.

Mr. BARKLEY. This measure has nothing to do with the general problem of subsidies to be paid after the 1st of July. That question will arise in connection with legislation dealing with the JPA and with the question of what subsidies are to be paid in the future. As the Senator has said, this measure is in the nature of a deficiency measure for subsidies already authorized.

Mr. TAFT. As I have said, I did not vote for them and I did not propose them, because I do not approve of such subsidies.

One of the questions we confront is whether to continue these subsidies for 2 months at the present rate, and make the main fight on the subject of subsidies in connection with consideration of the bill which is now before the House of Representatives and which proposes to continue these subsidies at the rate of \$1,500,000,000 or \$1,700,000,000 for the next fiscal year, or whether we should say, "No; now is the time to stop. Begin to taper off your subsidies at this time."

Mr. LANGER. Mr. President—

Mr. TAFT. I yield.

Mr. LANGER. I wish to find out for what months the \$190,000,000 is proposed.

Mr. TAFT. The \$190,000,000 for flour?

Mr. LANGER. Yes.

Mr. TAFT. It is for the period from the 1st of last July to the 1st of next July, and it will run out along about the 1st of May. For flour we are paying at the rate of \$20,000,000 a month from the Treasury. The testimony was that if the price of bread were increased 1 cent a pound, it would more than pay the entire subsidy. So, again, it is a consumer's subsidy. In order to prevent the increase in the price of bread by 1 cent a pound, the Federal Government



is now proposing to pay \$215,000,000 a year out of the Federal Treasury, and add it to the public debt. That is what the subsidy policy means. As I have said, the pending joint resolution is merely a deficiency subsidy measure.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. LANGER. Why is not the \$190,000,000 to be paid for wheat instead of for flour?

Mr. TAFT. Because it has always been a consumers' subsidy. The purpose is not to give the farmer more money, but to keep down the price of bread. Before the enactment of the provision requiring that authority be obtained from Congress, it was not possible to pay the subsidy. We tried to abolish it but the President vetoed the bill. Then Congress enacted a provision requiring that express authority be obtained from Congress.

Mr. LANGER. The farmer does not sell flour; he sells wheat.

Mr. TAFT. I have already said that this subsidy is not for the benefit of the farmer. It is for the benefit of the consumer.

Mr. LANGER. I received the impression from the distinguished majority leader that it is for the benefit of the farmer.

Mr. BARKLEY. Oh, no; I did not say that. I said that if it were not for the subsidy millers would be required to reduce the price paid to the farmer for wheat, or it would be necessary to increase the cost of bread, and in order to avoid an increase in the cost of bread the millers were subsidized to that extent. But without the subsidy there would be either an increase in the cost of bread, or the price paid the farmer for wheat would necessarily be lower. So the proposal is an indirect benefit to the farmer in that the price of wheat will not be reduced. Obviously, parity cannot be paid on wheat while at the same time bread is being sold at the price which has obtained. So there must be a reduction in the price of wheat, or an increase in the price of bread, and the purpose of the proposal is to absorb the difference.

Mr. LANGER. The farmer is supposed to receive parity for his wheat. Now he is required to pay taxes on \$190,000,000 out of his profits, if he has any profits, in order that the subsidy may be paid.

Mr. BARKLEY. As the Senator from Ohio [Mr. Taft] has said, we have not subsidized the grower in any of these subsidy programs. In the case of flour made out of wheat, and in the case of sugar, some provision has been made, and also with respect to the processing of vegetables, and there is one direct subsidy, I would say, namely, that on flaxseed. We provided an extension of the pay period to the 1st of July, because the amount allocated together with other expirations will come to an end about the 1st of May. The subsidy program only indirectly helps the farmer. It is useless to try to deceive anybody about that. But there is an indirect benefit received through the prevention of a reduction in the price of the farmer's

product, or through the prevention of an increase in the price of the finished product to the consumer.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. DOWNEY. I know that the distinguished Senator from Ohio always desires to have the record accurate. In connection with his statement that the President recently urged an increase of from 15 to 20 percent in the salaries of Federal employees, I wish to point out that since 1940 the only basic increase which the Federal worker has received amounts to less than 16 percent, while the cost of living has increased 33 percent. So the proposed increase will do no more than restore to the Federal worker the same real purchasing power he had in 1940.

Mr. TAFT. The recommendation of the President of a 17½-percent increase in the wages of those who are, in many respects, among the highest paid industrial employees, has set a pattern for the entire Nation in respect to the payment of wage workers which brings their compensation to a point nearly 50 percent higher than the prewar rates. I merely contrasted the inconsistency of that policy with the policy which says that it is absolutely outrageous to increase the cost of living 3 percent, while at the same time the increase in wage rates to which I have referred is taking place.

Mr. McCLELLAN. Mr. President, as I understand, there has been effected a saving in certain subsidies which have been authorized in the past. The pending joint resolution is for the purpose of making certain that that money will be available for meeting deficiencies which will arise with respect to certain other subsidies which have been authorized. Am I correct in my understanding?

Mr. TAFT. Most of the savings is in connection with the \$290,000,000 heretofore paid to petroleum and petroleum products. The moment the war with Germany came to an end there was no longer the slightest necessity to pay all the vast amounts involved in the transportation of gasoline. That money was saved. But, Mr. President, we cannot now say that we are not adding money to the Government expenditures by passing this bill, merely because money which was appropriated for another purpose has already been saved. It is true that the money was not needed for the purpose for which it was appropriated. But to say now that we are not really increasing the budget because the total of \$1,500,000,000 is not any greater, seems to me to be a misrepresentation of the effect of the joint resolution.

Mr. McCLELLAN. That is the point which I wish to emphasize. It is true that the war has come to an end, and it may have resulted in certain savings of money authorized to be spent for specific purposes in connection with the acquisition of needed war material. But what we are proposing now to do is to increase food subsidies and make use of the money which was originally intended for other purposes. The argument is being made that by so doing we are not increasing the budget or spending any more money than at the beginning we

had planned to spend. Have I stated the situation correctly?

Mr. TAFT. The Senator is correct. Not only that, but the estimates of expenditures for the fiscal year ending July 1, 1946, in which the President anticipated a deficit of \$15,000,000,000 or \$20,000,000,000, were based on the assumption that there would be no such expenditures, so we are adding to the deficit for the fiscal year 1946 by making the requested appropriation.

Mr. McCLELLAN. Mr. President, I hope the Senator from Ohio will yield to me for a further statement. I do not intend to speak at length, but I must leave the Chamber within a few moments to attend a committee meeting, and I wish to say that I am very anxious that a point be reached when we can eliminate the spending of money for subsidies. During the wartime many expenditures were justified. We spent vast sums of money and engaged in deficit spending, all of which was absolutely necessary. But I honestly believe that the time has come when we should get within the Budget and remain there. I cannot, for the life of me, see any justification at this time for continuing the payment of a subsidy to consumers in America. If it is imperative that it be done at this time, it will be necessary hereafter to do so, and we will thereby be establishing a permanent governmental policy with respect to subsidizing consumers. I believe the time has come when it should be stopped. I do not see how I can possibly go along with this program when wages are being raised all over the country, and we are undertaking to maintain the national income at the level at which it has been maintained in the past, and must tax our people further, and incur additional deficits which future generations will have to pay. I do not believe it makes sense. I believe the time has come for the American Government and for the people of America to become self-sustaining. If we cannot live on the high national income which now prevails, I see no hope of ever doing so in the future.

Mr. TAFT. Mr. President, I agree with the Senator. I have an additional statement to make with respect to the meat subsidy, a matter which did not come before the committee. Of the \$125,000,000, \$15,000,000 will be used to add to the packers' subsidy for the purpose of meeting additional wage costs involved in the increased compensation of 16 cents an hour to the workers in the packing industry. Mr. President, I wish to make that clear. Mr. Bowles is going to increase the price of meat 1½ cents a pound, I believe that is the figure, 3 weeks from now. He says that the increase subsequent to that date will not be in subsidies. But, he proposes to increase the subsidy in order to meet the increase which will occur between now and 3 weeks from now, and also the retroactive increase which was granted to the packers in many cases, running back to the beginning of the controversy some time in January or the first of February.

Fifteen million dollars is not a tremendous amount, but, in principle, I think if we are to permit an increase of wages, and then compensate for it by subsidy out of the Treasury, we have reached the point where the Government out of the Treasury is simply paying people to do the things the Government wants them to do. It is yielding to a pressure group because it says, "If you do this we will pay you so much for doing it." I do not think we can afford to adopt, in principle, the theory that the Government should pay for wage increases granted by industrial employers, or otherwise.

I myself am going to vote against the joint resolution. I think it is a doubtful question as to when the present practice should stop. When the matter is brought up in July I think I shall take the position that it should be tapered off, so that this increase will not occur all in one lump sum. I think it should be tapered off rather rapidly.

I wish to say a few words in regard to the sugar subsidy. There is a sugar subsidy today, as there has been for some time. The sugar question is a complicated one. In effect, the Government fixed one price for Cuba, another for Puerto Rico, another for Hawaii, and another for the beet-sugar industry.

Mr. LANGER. Will the Senator yield on that point?

Mr. TAFT. In a moment. These are pooled, because, of course, sugar all has to be sold at one uniform price. In order to do that some kinds of sugar are subsidized; the Government pays the difference, and then sells the particular sugar for less, and spreads the whole thing out.

Last spring, or sometime during the summer months, the officials came before us and said, "We think we are going to have to pay more for the Cuban sugar crop, and we want authority to pay a subsidy for the increased price we will have to pay the Cubans for sugar." The committee immediately objected to that, and said, "No; if you are going to pay more for the Cuban sugar crop you will have to raise the price of sugar to compensate for it." They did have to pay more for the Cuban sugar crop, and they raised the price of sugar by forty-five one-hundredths of a cent. They did not do quite the whole job, because even with that increase in the price of sugar a subsidy of \$15,000,000 more is required in order to handle the crop.

Why the administration did not increase the price fifty-five hundredths of a cent and pay the whole thing, I do not know, and I cannot understand. I am not perfectly certain about the total figures, but I think an increase of 1 cent or 2 cents, if the tariff were restored, would pay the entire sugar subsidy, which is now running at the rate of \$115,000,000 a year.

I do not see why Mr. Bowles should not increase the price of meat, instead of 1½ cents, by 2 cents a pound. Then we would not have to provide this \$125,000,000 provision.

Mr. BARKLEY. Mr. President—

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator

from Ohio yield to the Senator from Kentucky?

Mr. TAFT. I yield.

Mr. BARKLEY. As I stated a while ago, the increase in wages is retroactive; and that is the result of Government action. The Government took over the packing plants, and the increase in wages was made retroactive. It is impossible for the machinery to be worked out overnight to increase the prices to take care of the increase in wages. It has to be done in an orderly way, and the additional \$15,000,000 of which the Senator speaks is to take up the gap between the effective dates of the increase in wages, which the Government itself brought about, and the increase in prices which it will bring about.

Mr. TAFT. It makes no difference to the packer in May whether he gets a subsidy or whether he gets an increased price for his products sold in May or June. The whole \$15,000,000 can be taken care of if, instead of increasing the price 1½ cents, it is increased 2 cents a pound.

Mr. BARKLEY. The packer cannot get an increase in price for either January or February.

Mr. TAFT. That is perfectly true, but the packer does not get the subsidy anyway until about May, and he might just as well get the cash from the consumers in the increased price of meat he sells in May. This fifteen million could be eliminated entirely if Mr. Bowles were willing to increase the price 2 cents instead of 1½ cents for 2 months, and that is a perfectly possible thing for him to do.

Mr. LANGER. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. LANGER. Can the Senator tell me why it happens that the producers in Cuba get more for their sugar than those in Puerto Rico, which is part of our own country?

Mr. TAFT. No; the producers in Cuba do not get more than those in Puerto Rico.

Mr. LANGER. They get a larger subsidy. A Puerto Rican cannot compete with the producer in Cuba when it comes to selling sugar, because our Government helps Cuban sugar producers at a larger rate than it does those in Puerto Rico.

Mr. TAFT. That is not quite correct. Today the price paid for Cuban sugar is less than the price paid for Puerto Rican sugar. In normal times the price paid is about 75 cents a hundred pounds more, which is the amount of the tariff. Cuba has to pay the tariff in normal times, and Puerto Rico does not. So Puerto Rico gets about 75 cents a hundred pounds more than Cuba gets. But now, under an Executive order of the President, the tariff has been taken entirely off Cuban sugar.

Mr. LANGER. That is the point exactly.

Mr. TAFT. Still, I do not think the Cubans are paid today as much as the Puerto Ricans are paid, while there may not be as much differential as there was.

Mr. LANGER. If the distinguished Senator will take the trouble to investi-

gate, he will find that since the tariff has been taken off, the Cuban producer is being preferred at the expense of the producer in Puerto Rico, to quite a considerable extent.

Mr. TAFT. It is quite expensive to produce sugar in Puerto Rico, and unless there is a differential, the Puerto Rican sugar industry will be wiped out.

I wish to refer to one other matter in the joint resolution which is now pending. In it there is a provision which reads:

Neither the last paragraph of section 2 (e) of the Emergency Price Control Act of 1942, as amended, nor the act of June 23, 1945 (59 Stat. 260), shall be construed to apply to purchases by the Reconstruction Finance Corporation of such tin ores and concentrates as it deems necessary to insure continued operation of the Texas City tin smelter.

It is not entirely certain that that is required to be authorized by special act. We are apparently losing about \$12,000,000 a year on the operation of the smelter in Texas, using low-grade Bolivian ore, but probably from a national defense standpoint it is wise to continue the operation of that plant at a loss.

I rather objected to taking this out of the general provision that these things must be authorized, until it was pointed out that under the Byrd-Butler Act that operation must be submitted in the Budget as part of the program of the RFC for the coming year. That program will be submitted in a short time, and will be open to action by Congress. So I see no objection to including it in this bill, although if the provision should be rejected I do not think anything would be lost as a result.

Mr. BARKLEY. Will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. BARKLEY. The Senator knows that the tin smelter referred to in the joint resolution is the only tin smelter in the Western Hemisphere.

Mr. TAFT. I understand that.

Mr. BARKLEY. The Director of Reconversion and the stabilization officers, after consulting with the other agencies of the Government, have recommended that it is essential at the present juncture to continue the operation of that one smelter in the Western Hemisphere for the production of tin. How long it will be necessary I cannot predict, but it is the only one in operation, and if it is not continued, even at a loss—which I think has been running at the rate of about \$12,000,000 a year—the result will be serious.

Mr. TAFT. However, the funds contained in the original act are sufficient to cover any possible loss up to the first of July, so I am merely saying this is not an absolutely essential provision at the present time.

Mr. President, while I recognize the arguments of the Senator from Kentucky, so far as I am concerned I am not willing to vote in favor of continuing the subsidy program at full speed, and to some extent at an increased speed, from May 1 to July 1, and therefore I propose to vote against the joint resolution.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.



Mr. LANGER. I am not on the committee, and I should like to ask if this is not in the nature of a deficiency matter?

Mr. TAFT. Yes, because as it turned out, the money under the original act did not last for 12 months, but only for 10.

Mr. LANGER. Can the Senator give us any idea when hearings will be held and we can see to it that Puerto Rico is taken care of the same as Cuba is, so far as sugar is concerned?

Mr. TAFT. This is the last chance to do anything about that, I think, unless there is a desire to pass a special bill, because so far as sugar is concerned, this sets the program for the entire calendar year 1946. It does not call for any additional money, but with the additional authority granted, and using the money provided for sugar last year, the administration can carry out the entire 1946 sugar program. So I do not think the question of sugar will arise again in a general subsidy bill. It may, but it will not be for this calendar year, it will be for the following calendar year, perhaps.

A general bill covering subsidies is now pending in the House of Representatives as part of the OPA program, and I assume the House will take another month or so to dispose of that bill before it comes to the Senate and is considered by the committee. If I may guess, I should say that sometime in April we will have a hearing on the general subject of subsidies.

Mr. LANGER. I am sure the Senator is familiar with the sufferings of the people of Puerto Rico.

Mr. TAFT. I am, yes.

Mr. LANGER. Does not the Senator think the people of Puerto Rico are entitled to at least as much benefit in producing sugar as are the people of Cuba?

Mr. TAFT. I think the people of Puerto Rico should under any plan receive at least 75 cents a hundred pounds more for their sugar than the people of Cuba.

Mr. LANGER. When this matter comes before the Banking and Currency Committee is the Senator going to offer an amendment to that effect, if it should be necessary to do so?

Mr. TAFT. Yes, if we can work out the intricacies of this program so that that may be done. The chief trouble is this: There is an old provision, passed during the First World War, or before that, which provided that a naval vessel coming back from the foreign port, picking up stores in a foreign port, could bring such stores into the United States without their being subject to the tariff. Under that provision the President of the United States—I think with complete lack of authority of any kind—issued an Executive order which extended that authority so as to permit, without being subject to the tariff, any essential commodities to be brought into the United States by any department of the Government, although the statute related only to the Navy Department. Under that order the tariff on sugar from Cuba has been set aside. I certainly propose to do everything I can to see that that Executive order is nullified at the earliest possible date. It could only be justified, if at all, by the grossest extension of the

war powers, and it seems to me it should come to an end at once, which automatically would take care of the situation to which the Senator has referred.

Mr. BARKLEY. Mr. President, in that connection I wish to say to the Senator from North Dakota, as I intimated to him a while ago, that the whole question in substance, and even the extension of the OPA, is coming up in a bill now pending in the House committee, on which the committee is holding hearings. The bill is to carry out a program for the remainder of the present fiscal year, which is already in progress with respect to meat and flour, and the sugar crops in Puerto Rico and Hawaii of 1945, that is planted in 1945 but harvested and marketed in 1946. There is not any quarrel between Puerto Rico and Cuba, or Hawaii and Cuba with respect to this matter.

When we come to consider a permanent program of subsidies for sugar or anything else to be effective after July 1, the Committee on Banking and Currency, I can assure the Senator, will go thoroughly into that subject, will have hearings on it, and make a determination of it. But this is a matter to which we have committed ourselves. It is a program for the fiscal year 1946, ending on the 1st of next July, which we have found it necessary to inaugurate, which was recommended by the Department of Agriculture, the Commodity Credit Corporation, the Reconstruction Finance Corporation, and which was adopted by the House of Representatives practically without opposition.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. The House has not passed on the subsidy for meat or the subsidy for flour.

Mr. BARKLEY. No, the House left those items out, but passed the bill I am talking about, containing the sugar provision, the provision respecting the tin smelter, and other provisions. The Senate committee placed in the measure the additional provision respecting flour and meat. It was necessary to do that by reason of the fact that the cost of wheat to the millers has been greater than was anticipated, because the price of wheat rose to parity more rapidly than was expected at the time the program was prepared.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LANGER. When I was in Puerto Rico some months ago I went among the farmers who raise sugar. They told me they simply could not compete with the Cuban sugar because the Cuban sugar raisers had a preference from the United States Government. I promised the Puerto Rican farmers to whom I spoke that I would try to see that they were given a square deal, and I want to make good on that promise.

Mr. BARKLEY. Mr. President, almost since the time of Cuban independence the people of Cuba have received a preference. It was a part of the arrangement we made originally, and for years some preference has been given to Cuba. It was not a subsidy. It was a long-time

policy of the Government. It may have been unjust, but it has been the settled policy of the Government for two or three decades, or even longer.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. That preference, though, is only a preference over foreign nations. In other words, the general tariff rate, we will say is 90 cents, and Cuba pays only 75 cents. Puerto Rico has always had that advantage of 75 cents a hundred pounds until the tariff requirement was completely removed by the Executive order.

Mr. AIKEN. Mr. President, will the Senator yield for one question?

Mr. BARKLEY. I yield if I have the floor.

Mr. AIKEN. Do I understand the Senator correctly that the appropriation made in this joint resolution is for the purpose of carrying out agreements already made?

Mr. BARKLEY. It is to carry out a program which is already in progress. In regard to sugar, we made the promise last year, as an inducement for planting as large a crop as possible. That crop, while planted last year, is not harvested until this year. It is for that reason that the provision respecting sugar extends through the entire year 1946. But the meat-subsidy program is in progress. The flour-subsidy program is in progress. We authorized \$190,000,000 for the flour subsidy. The joint resolution provides \$25,000,000 more for the remainder of this fiscal year, which will make it altogether \$215,000,000, but it will be necessary to cut off the subsidy entirely on the 1st of May unless this measure is passed, and then either the price of wheat will go down or the price of bread will go up. There is no way to get around that. The same applies to meat.

Mr. AIKEN. This appropriation is for the purpose of carrying on a program which is now in progress.

Mr. BARKLEY. It is an understanding between the Government and the producers of flour and meat that we would carry it on during the fiscal year 1946 ending the 1st of next July. If we do not pass this legislation we will not have kept our word with them in holding out the hope that it would be a year-long program ending the 1st of July. Everybody understood that when the new OPA bill should come before Congress we would then determine whether the program should be extended beyond the 1st of July.

Mr. AIKEN. Does the Senator believe that meat has been produced under the expectation that the subsidy would be paid until July 1?

Mr. BARKLEY. There is no doubt about that. The whole program of stimulation which was inaugurated by the subsidy, and the preservation of the price to the grower by reason of the subsidy, though an indirect benefit, has been tied in with the whole program of production, subsidy, and the price to the consumer. It is all an integrated program. I would not be able to say, and I would not state that it has resulted in any individual contract between the Government of the United States and

any particular person. It is a program which we have inaugurated.

Mr. TAFT. Mr. President, I should say that the Government is bound in no way to continue the subsidy under the provisions of this joint resolution. What is the choice? The choice is simply that if we do not pass the subsidy legislation Mr. Bowles will have to increase the price of meat. That is the only difference. The farmer gets the same money. The producer gets the same money. The packer gets the same money. The only thing is that the consumer would not continue to get quite as large a subsidy for quite so long a time as he would if the joint resolution were passed. So there is no obligation of any kind. I am told that the flour millers should know what the program is to be 60 days in advance. This money will run for 60 days, so there is really no question in that respect. The flour millers might find it difficult to protect themselves if this program were cut off overnight, but the money already appropriated with respect to flour will continue to be available for flour until May 1, at any rate for at least a period of more than 2 months.

Mr. BARKLEY. While there is no legal contract which is enforceable between the Government and any person receiving the subsidy, everyone knows that it was contemplated and arranged that the subsidy should continue for the entire fiscal year. Everyone understood that.

Mr. TAFT. Not at all. It was provided that it should not cost more than \$190,000,000. If the officials of the Government have spent that amount of money in 10 months, instead of in 12 months, there can be implied no obligation whatever which would make it necessary to have a deficiency appropriation for the last 2 months.

Mr. BARKLEY. On the basis of the price of wheat at the time the program was inaugurated it would not have cost another dollar, but the price of wheat has increased.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. AIKEN. Is an adequate amount of money appropriated to continue the dairy subsidies until July 1? That is, to pay the subsidies on milk and butter and other dairy products?

Mr. BARKLEY. I understand there is an amount adequate to pay the subsidies on dairy products.

Mr. AIKEN. Until July 1?

Mr. BARKLEY. Until July 1.

Mr. TAFT. I understand the \$568,000,000 appropriated to the Commodity Credit Corporation is ample for that purpose. No deficiency is requested for that item.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LANGER. I note the intention to take care of the flour millers and the packers. I noted particularly what the Senator from Kentucky said in reply to the Senator from Ohio about the Government making good its word. If it is true that the Government should keep its word in that regard, I want to know

why the farmers of South Dakota and Montana did not, in 1943, receive the \$10 an acre which was promised them for seeding flax.

Mr. BARKLEY. I cannot answer that question. I do not know why the farmers did not receive it. But I do not know what that has to do with the pending measure.

Mr. LANGER. It has this to do with it, that the farmers were then promised \$10 an acre in the form of a subsidy for planting flax.

Mr. BARKLEY. There may be many circumstances connected with that matter with which I am not familiar. I do not want to give a curbstone answer to that question because I do not know what the answer is.

Mr. LANGER. It simply seems as though the packers and the flour millers are taken care of pretty well by this measure.

Mr. BARKLEY. It is not a question of taking care of the packers and the flour millers. This whole program was inaugurated, as everyone knows, to prevent an increase in the cost of food. It absorbed an increase that would have been necessary if it had not been provided through this subsidy both in the case of flour and of meat.

Mr. LANGER. But the Senator well knows that in 1943 the Government stated it needed flax. The distinguished Senator from Nebraska [Mr. WHERRY] is familiar with that situation.

Mr. BARKLEY. We are trying to take care of flax in this measure. It contains a provision that flax harvested up to July 1 shall be included, and a million dollars is provided for that purpose.

Mr. LANGER. That is to provide \$5 an acre for planting flax last year. But the Senator well knows that the farmers did not receive a dollar for planting flax in 1943. The farmers seeded their land to flax, but never received the \$10 which was promised them.

Mr. WHERRY. I will verify that statement.

Mr. BARKLEY. I think there are circumstances in connection with that matter which would be worth going into.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WHERRY. I told the majority leader I would not make a speech with respect to this program, and I want to keep my word. But I wish to ask him a question.

Mr. BARKLEY. I want the Senator from Nebraska to understand that I did not exact such a promise from him, because I always enjoy hearing him speak, even when he is opposed to me.

Mr. WHERRY. I should like to ask the distinguished majority leader a question about the \$125,000,000 which I understand is the meat subsidy. There is a new item of expense of \$15,000,000 in the appropriation to pay the increase in wages to labor in the packing plants.

Mr. BARKLEY. There is nothing in the joint resolution about that. Of the \$125,000,000 provided for, about \$15,000,000 would be used to bridge the gap between the effective date of increased wages and the effective date of increased

prices for meats. The increase in meat prices will take care, from that date on, of the increase in wages of the workers.

Mr. WHERRY. That is the point about which I wished to ask. As I understand, the increase in wages is retroactive.

Mr. BARKLEY. It is retroactive to January 26.

Mr. WHERRY. What about prices?

Mr. BARKLEY. Prices must be worked out now. They have not been increased. I am advised by the OPA and the Department of Agriculture that 3 or 4 weeks will be required to devise schedules so as to place the increases on an orderly basis. During that period the men who are working for the packers will be receiving increased wages, and the packers will receive no increased prices during that period. That is the gap to which I am referring.

Mr. WHERRY. When the gap is finally closed, will the increase in prices be reflected all the way back?

Mr. BARKLEY. The increase in wages will be reflected in increased prices for meat.

Mr. WHERRY. I can see that from now on that will be true; but how is the retroactive increase in wages to be reflected in prices?

Mr. BARKLEY. A great deal of meat has been sold since January 26, under present existing prices, but the wage increases go back to that date. There is no way to make price ceilings retroactive, so as to allow the packers to collect an increase on the meat which they have already sold, during the period when the increased wages took effect.

Mr. WHERRY. I think I have that point clear. I should like to ask the distinguished majority leader one further question: Does this subsidy go back beyond the packer?

Mr. BARKLEY. No. It is a subsidy to the processor.

Mr. WHERRY. I am speaking particularly in the interest of those who produce and feed cattle. They are still subject to the Vinson directive, which establishes a ceiling price on grade A cattle of not more than \$18.

Mr. BARKLEY. Except in such cases—if there be any—in which the ceiling has been removed.

Mr. WHERRY. None of the ceilings have been removed. There was no testimony to that effect.

Mr. BARKLEY. That is true.

Mr. WHERRY. I wish to make it plain that, so far as the producer or cattle feeder is concerned, this subsidy does not reflect a higher price to him, because he is limited now by the Vinson price directive.

Mr. BARKLEY. He is not directly affected; but without the subsidy the packer or the processor might have been required, in order to live, to reduce the price paid to the producer of cattle. That was inevitable, with a ceiling on the price of meat and a ceiling on the price of cattle. Many small packers became squeezed between the upper and nether millstones. Many of them came here. I saw many of them, as did the Senator from Nebraska. The smaller packers had a real case as between the price they had to pay for the livestock



and the price they received for processed meats. But indirectly the subsidy has benefited the grower, in that the purchaser did not have to reduce the price below the ceiling in order to make himself whole in the process.

Mr. WHERRY. The argument advanced by the majority leader is that if the subsidy is paid to the processor because his current costs have been increased, the processor or the packer will not reduce the price of cattle in the open market by the amount of his increased costs.

Mr. BARKLEY. That is true.

Mr. WHERRY. So therefore the price which the processor pays the cattle feeder would not be disturbed if the subsidy made up the difference in his current costs.

Mr. BARKLEY. That is correct.

Mr. WHERRY. Mr. President, I wish to have the RECORD show that I am in total agreement with the majority leader as to the theory of the effect of the subsidy. But it does not reach out to the producer as a subsidy, because the processor has to have the subsidy to pay current costs. The only chance the cattle feeder has for maintaining his price on cattle is within the range of the Vinson price directive, and under this program there is no inducement to the cattle feeder to increase the supply of beef.

All this emphasizes the importance of Senate Joint Resolution 118, which is now before the Committee on Banking and Currency. The Congress of the United States is responsible for the prices established by the Price Administrator. If we are to keep faith with the provisions of the original act, the Price Administrator should not be permitted to set a price below the traditional percentage profit. Certainly when the Price Administrator sets the price it should be partly figured on current costs. If it is not, we shall find more cattle feeders going out of business. The price of corn is high. About the only way it can be obtained is through black-market operations. I point that out to the majority leader because in the consideration of any suggested price relief certainly the traditional percentage mark-ups must be maintained in the light of current costs in order to get production.

While I appreciate the theory of the argument advanced by the distinguished majority leader, which is correct, that whatever help the packer gets should be reflected to some extent in the price on the open market, but that does not work out in practice. It is my belief that the original law itself provides that the Price Administrator shall impose a maximum ceiling which must permit the parity price or the highest price paid between the months of January and September 1942. Unless we get that relief, regardless of the subsidy to the packer, which may or may not be reflected in the price to the cattle producer, we are not going to have cattle in the feed lots to provide meat for the families of America. I hope that the Committee on Banking and Currency will give the suggested resolution consideration. It has been worked out with great care to place prices on a level which will permit production above current cost. If we do not get production,

we shall not be able to control inflation, regardless of what price legislation we place upon the statute books.

Mr. BARKLEY. No Member of the Senate and no one in the United States will rejoice more vociferously or enthusiastically than will I when the time comes when we can remove all artificial restrictions or stimulations which have been necessarily imposed during the war and get back to an economy based upon the law of supply and demand, which will fix prices in the over-all picture of our industry and agriculture. But that time has not yet come. We expect to go into that question within the next month. It is now being considered in the House committee; and when it comes before us for consideration, we shall go into it thoroughly. If on the 1st of July the Congress wishes to put an end to subsidies, or to refuse to extend the OPA another day, that will be the responsibility of Congress. But this bill is in the nature of an additional authorization to carry out a program which was contemplated for a year, and not for 10 months.

Mr. WHERRY. Mr. President, will the Senator yield for a further observation?

Mr. BARKLEY. I yield.

Mr. WHERRY. I thank the distinguished majority leader for his remarks, especially those relating to a return to the free competitive system, on the basis of supply and demand. I agree with him in toto.

But I am speaking about the difficulty which is an impediment now. I think we all agree that we want maximum production. The question is, How are we to get it? Some feel that we should have a more flexible price system. I am simply bringing to the attention of the distinguished majority leader—and I know that he will give it consideration—the point that whether we have controls beyond June or not, success in achieving maximum production will depend upon the establishment of maximum prices which will permit such production based on current cost.

In the pending measure, so far as the \$15,000,000 is concerned, there is an attempt to increase the wages of labor without increasing prices, except through a subsidy. The producer does not receive the subsidy except through a reflection in the price in the open market, which I think is most doubtful.

Mr. BARKLEY. The increase in wages is already an accomplished fact.

Mr. WHERRY. I am not disputing that; but it is not taken into consideration in the prices. If it had been, there would be no need for a subsidy now.

Mr. BARKLEY. It will be taken into consideration. It is being taken into consideration; and as soon as the machinery can be put in operation the increased prices of meats will absorb the increased labor costs. However, there is a gap which needs to be filled.

Mr. WHERRY. I believe that the Committee on Banking and Currency should give particular consideration to this question, because unless prices are established which permit production between now and the time about which the Senator speaks, when we can remove all controls and allow our economy to be governed by the law of supply and de-

mand, we shall not have production. We want an economy of maximum production instead of scarcity; and unless we change the price system we shall not have cattle in the feed lots.

Mr. BARKLEY. As a member of the Committee on Banking and Currency, I can assure the Senator that that subject will be gone into in detail when we get to the point of details, and when we come to consider what policy we shall recommend by way of further legislation.

Mr. TAFT. Mr. President, in line with the remarks of the Senator from Nebraska [Mr. WHERRY], I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article from the Cincinnati Enquirer of February 26, 1946.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PACKERS ARE TO SHUT DOWN FRIDAY; FED UP WITH HARASSMENT BY OPA

Seventeen independent meat wholesalers supplying 70 percent of the meat to greater Cincinnati and northern Kentucky decided at a meeting last night to shut down their packing plants for an indefinite period at the close of business Friday.

"It is no longer possible for us to continue in business under the harassing restrictions and complicated regulations imposed by the Office of Price Administration," a spokesman for the group declared. "We are going to shut down our plants to support the movement in St. Louis, where 35 plants are closing Thursday."

Another packer issued the following statement:

"We cannot operate without subsidies, and we cannot operate with subsidies. The OPA gives us subsidies on condition that we abide by the regulations. If we do not abide by the regulations, it threatens to take away the subsidies, plus 6 percent interest from the time they were awarded."

"None of us are honestly able to abide by the regulations because none of us understand them. Nobody on this side of heaven understands them. And yet they bring us into court if there is a single unintentional violation of regulations that no genius could come close to understanding."

It was pointed out that the Government forces the taxpayers of greater Cincinnati and northern Kentucky to pay meat subsidies totaling approximately \$15,000,000 a year. An almost equal sum, it was said, is being paid on a yearly basis by these taxpayers for salaries to Government employees who have to check and recheck subsidy claims.

"The OPA regulations should be canceled or revised," a packer said. "This will permit these Government men to change to more gainful and useful occupations and it will permit us to resume our business without being tied hand and foot by red tape."

The 17 Cincinnati and northern Kentucky packers who will shut down their plants are:

Gus Juengling & Son, Howard Pancero & Co., C. Rice Packing Co., Joe Rice Packing Co., J. B. Ireton Co., William G. Rehn's Sons, G. Ehrhardt Sons, Inc., Herman Kemper Sons, Lester Pancero, Ernest Eckerlin, Henry Meyers Sons, Inc., Jacob Schlachter Sons, Inc., Jacob Bauer Sons, A. Koch's Sons, S. W. Gall Sons, William Reinders & Co., and John Hilberg & Sons Co.

These packers said they would do their last butchering Friday, killing whatever livestock remained on hand at that date. If they go through with their original plans, their plants will continue to be shut down until the OPA revises or cancels its Meat Price Regulation 574, which governs packers in their initial operation—the purchase of live cattle—and

follows through to the final operation of obtaining Federal subsidies.

At present three of the packers involved in the shut-down have been cited to court by the OPA which seeks to recover subsidies it has paid and 6 percent interest in addition. All three packers assert that if they have been guilty of violating sections of MPR-574, these violations have been unintentional, and due to the fact that they do not understand the regulations.

Mr. TAFT. I wish to read a portion of the article.

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"The OPA regulations should be canceled or revised," a packer said. "This will permit these Government men to change to more gainful and useful occupations, and it will permit us to resume our business without being tied hand and foot by red tape."

That situation is continuing indefinitely. I am citing only one example of the complete mismanagement of control of subsidies, including the meat subsidy. So far as I am concerned, I shall ask for a vote against the committee amendment which proposes continuation of the meat subsidies at the present rate, together with the flour subsidies at the present rate.

I think the sugar subsidy program is so complicated that I do not desire to interfere with it. But so far as the meat and flour subsidies are concerned, the only possible result of our refusing to adopt the proposal as to those subsidies will be to force the OPA at an earlier date to increase the price somewhat and to reduce the subsidies. I think the lesson to them that the Congress is dissatisfied with their procedure as to the meat subsidy and is dissatisfied with their procedure as to other subsidies, is going to be a very healthy warning. The House refused to adopt the amendment and I think the Senate should reject it.

Mr. BUTLER. Mr. President, I should like to ask the majority leader, as acting chairman of the Committee on Banking and Currency, whether he can give us an answer on this point: It has been stated that approximately from 160 to 175 pounds of meat are available per capita for all persons in the United States during the coming year. Apparently there is an abundance of meat. I think we can agree on that statement.

Mr. BARKLEY. Yes; I think the estimate is that, on a per capita basis, there will be more meat available to consumers in the United States in 1946 than there was in 1945.

Mr. BUTLER. I think that is correct. If we drop the subsidy program on meat, am I correct in the assumption that it will require an advance of about 5 cents a pound in the price of meat in order to give the producer what he is entitled to under the present arrangement? In other words, would not an increase of about 5 cents a pound in the cost of meat to the consumers make up for an abandonment of the subsidy program?

Mr. BARKLEY. The abandonment of the subsidy would either increase the cost to the consumers by about 5 cents a pound or else it would result in a decrease in the price received by the growers or producers of meat products. The change in price for them probably would be less than 5 cents a pound, because the 5-cents-a-pound figure is based on the finished products. But it would either result in a 5-cents-a-pound increase in the cost to the consumers or in a reduction in the price paid to the producers of the livestock from which the meat is processed.

Mr. BUTLER. I am not certain that the consumers can stand an increase in the price of meat. I am certain that the Government can impose a ceiling on meat, just as it does on grain and other commodities. The average person does not eat a pound of meat a day, so the result would not be to increase the cost of living for the people of the United States more than a maximum of 3 cents a day.

I think the time is here when the people of the United States are in a better position to assume their own board bill and the responsibility for paying their way, without having recourse to money from the Treasury of the United States in the form of subsidies. I do not think the result would be disastrous at all if an additional amount were not made available for the continuance of the subsidy program after May 1, if the funds should be exhausted by that time.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. TAFT. The rejection of this amendment would not necessarily force the OPA to abandon the subsidy program. It would force them to use in 4 months the money they expected to use in 2 months. That would mean that the subsidy would have to be cut in half, and that would mean an increase of 2½ cents a pound in the price paid by the consumer, instead of 5 cents.

Mr. BUTLER. Mr. President, I should like to make a statement in connection with the subsidy to flour millers. Of

course, we cannot expect them to operate at a loss, but we certainly can permit an increase in the cost of bread to take care of that situation, since the increase would not possibly be more than 1 cent a day per capita. I think the taxpayer would be far better off to assume that 1-cent-a-day responsibility, rather than to assume at least a 2-cents-a-day responsibility if the program is handled through the Treasury, because about as much is spent for administration as for the payment of the subsidy itself.

Mr. LANGER. Mr. President, did I understand the distinguished senior Senator from Ohio to say that he will ask for a vote on the amendment?

Mr. TAFT. I shall ask for a vote on the last committee amendment.

Mr. LANGER. The committee amendment includes flaxseed.

Mr. TAFT. That is the first committee amendment. I have no objection to it. I refer to the last committee amendment, on the last page.

The PRESIDENT OFFICER. The clerk will proceed to state the amendments reported by the committee.

The first amendment of the committee was, on page 1, in line 6, after "the words", to strike out "1945 and 1946 crop program operations"; and, and insert "(A) 1945 crop program operations and (B) 1946 crop program operations relating to sugar, vegetables processed prior to July 1, 1946, and flaxseed harvested prior to July 1, 1946."

The amendment was agreed to.

The next amendment was, on page 2, line 7, after the word "smelter", to insert "and (c) allocations for meat and flour provided in the act of June 23, 1945 (59 Stat. 260) are hereby increased by \$125,000,000 and \$25,000,000, respectively: *Provided, however*, That this shall not be construed to increase the aggregate amount allocated by said act of June 23, 1945, for subsidy payments and anticipated losses for the fiscal year ending June 30, 1946."

Mr. TAFT. Mr. President, on this amendment I ask for the yeas and nays.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested, and the clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hart	Myers
Austin	Hawkes	O'Mahoney
Bailey	Hayden	Overton
Ball	Hickenlooper	Pepper
Barkley	Hill	Radcliffe
Billbo	Hoey	Revercomb
Brewster	Huffman	Robertson
Bridges	Johnson, Colo.	Russell
Briggs	Johnston, S. C.	Saltonstall
Buck	Kilgore	Shipstead
Bushfield	Knowland	Smith
Butler	La Follette	Stanfill
Byrd	Langer	Stewart
Capper	McCarran	Taft
Carville	McClellan	Thomas, Okla.
Chavez	McFarland	Thomas, Utah
Cordon	McKellar	Tobey
Donnell	McMahon	Tunnell
Downey	Magnuson	Tydings
Ellender	Maybank	Walsh
Ferguson	Mead	Wheeler
Fulbright	Millikin	Wherry
George	Mitchell	Willis
Gerry	Moore	Wilson
Green	Morse	Young
Gurney	Murdock	



The PRESIDING OFFICER. Seventy-seven Senators have answered to their names. A quorum is present.

The question is on agreeing to the second committee amendment on page 2, line 7.

Mr. TAFT. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. TAFT. Mr. President, I merely wish to say that I am opposed to the amendment. I think that a vote against subsidies would be a "nay" vote on the amendment. A vote for additional moneys for subsidies would be a "yea" vote on the amendment.

Mr. BARKLEY. Mr. President, the Senator from Ohio is seeking to defeat a committee amendment which was recommended by the Secretary of Agriculture, the Department of Agriculture, the Reconstruction Finance Corporation, and the Commodity Credit Corporation, in order to enable the completion of a subsidy program with respect to meat and flour for the fiscal year ending June 30, 1946. Otherwise the program will have to come to an end on May 1. When it was entered into it was understood that the program would cover the entire fiscal year. The question of subsidies after July 1 next is not involved in the amendment in any way. We will deal with that matter when we come to consider the proposed legislation for the extension of the OPA Act and the Stabilization Act. I hope the Senate will agree to the amendment.

Mr. TAFT. The Senator made the statement that the program will have to cease on May 1 if the amendment is not agreed to.

Mr. BARKLEY. That is true, or the amount of the subsidy will have to be thinned out over a period of 4 months.

Mr. TAFT. The amount of the subsidy will have to be thinned out over a period of 4 months, or the increase in the price which the consumer must pay will be a very insignificant one.

Mr. BARKLEY. Whatever the amount may be, the program will either have to stop on May 1, or funds now available will have to be thinned out over the additional period which would be a violation of the program which we understood to be in existence at the time we planned for the entire fiscal year. I hope the amendment will be agreed to.

The PRESIDING OFFICER. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REED (when his name was called). I have a general pair with the senior Senator from New York [Mr. WAGNER]. Not knowing how he would vote if present, I withhold my vote.

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from New York [Mr. WAGNER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Pennsylvania [Mr. GUFFEY] is a member of the committee

attending the funeral of the late Representative from Pennsylvania, Hon. J. Buell Snyder, and is therefore necessarily absent.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Illinois [Mr. LUCAS], and the Senator from Texas [Mr. O'DANIEL] are detained on public business.

The Senator from Montana [Mr. MURRAY], and the Senator from Idaho [Mr. TAYLOR] are absent on official business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a representative of the United States to the General Assembly of the United Nations.

The Senator from Alabama [Mr. BANKHEAD] and the Senator from New Mexico [Mr. HATCH] are detained at important committee meetings.

The Senator from Idaho [Mr. GOSSETT] is absent on official business at one of the Government departments.

On this question the Senator from New Mexico [Mr. HATCH] has a general pair with the Senator from Maine [Mr. WHITE].

If present and voting, the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Montana [Mr. MURRAY], the Senator from Idaho [Mr. TAYLOR], and the Senator from New York [Mr. WAGNER] would vote "yea."

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] is recovering from a recent operation.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate on official business of the Small Business Committee, of which he is a member.

The Senator from Maine [Mr. WHITE] has a general pair with the Senator from New Mexico [Mr. HATCH].

The Senator from Wisconsin [Mr. WILEY] has been excused. He is absent on official business.

The Senator from Michigan [Mr. VANDENBERG] is detained on official business.

The result was announced—yeas 44, nays 33, as follows:

#### YEAS—44

Aiken	Hoey	Morse
Bailey	Huffman	Murdoch
Barkley	Johnson, Colo.	Myers
Bilbo	Johnston, S. C.	O'Mahoney
Briggs	Kilgore	Pepper
Capper	La Follette	Radcliffe
Carville	Langer	Shipstead
Chavez	McCarran	Stewart
Cordon	McFarland	Thomas, Utah
Downey	McKellar	Tobey
Fulbright	McMahon	Tunnell
George	Magnuson	Walsh
Green	Mead	Wheeler
Hayden	Millikin	Young
Hill	Mitchell	

#### NAYS—33

Austin	Gerry	Robertson
Ball	Gurney	Russell
Brewster	Hart	Saltonstall
Bridges	Hawkes	Smith
Buck	Hickenlooper	Stanfill
Bushfield	Knowland	Taft
Butler	McClellan	Thomas, Okla.
Byrd	Maybank	Tydings
Donnell	Moore	Wherry
Ellender	Overton	Willis
Ferguson	Revercomb	Wilson

#### NOT VOTING—19

Andrews	Capehart	Glass
Bankhead	Connally	Gossett
Brooks	Eastland	Guffey

Hatch  
Lucas  
Murray  
O'Daniel

Reed  
Taylor  
Vandenberg  
Wagner

White  
Wiley

So the amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the joint resolution.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution (H. J. Res. 301) was read the third time, and passed.

#### BROADCASTING OF NONCOMMERCIAL CULTURAL OR EDUCATION PROGRAMS

The PRESIDING OFFICER (Mr. TUNNELL in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 63) to amend the Communications Act of 1934, as amended, so as to prohibit interference with the broadcasting of noncommercial cultural or education programs, which were to strike out all after the enacting clause and insert:

That title V of the Communications Act of 1934, as amended, is amended by inserting after section 505 thereof the following new section:

#### "COERCIVE PRACTICES AFFECTING BROADCASTING

"SEC. 506. (a) It shall be unlawful, by the use or express or implied threat of the use of force, violence, intimidation, or duress, or by the use or express or implied threat of the use of other means, to coerce, compel, or constrain or attempt to coerce, compel, or constrain a licensee—

"(1) to employ or agree to employ, in connection with the conduct of the broadcasting business of such licensee, any person or persons in excess of the number of employees needed by such licensee to perform actual services; or

"(2) to pay or give or agree to pay or give any money or other thing of value in lieu of giving, or on account of failure to give, employment to any person or persons, in connection with the conduct of the broadcasting business of such licensee, in excess of the number of employees needed by such licensee to perform actual services; or

"(3) to pay or agree to pay more than once for services performed in connection with the conduct of the broadcasting business of such licensee; or

"(4) to pay or give or agree to pay or give any money or other thing of value for services, in connection with the conduct of the broadcasting business of such licensee, which are not to be performed; or

"(5) to refrain, or agree to refrain, from broadcasting or from permitting the broadcasting of a noncommercial educational or cultural program in connection with which the participants receive no money or other thing of value for their services, other than their actual expenses, and such licensee neither pays nor gives any money or other thing of value for the privilege of broadcasting such program nor receives any money or other thing of value on account of the broadcasting of such program; or

"(6) to refrain, or agree to refrain, from broadcasting or permitting the broadcasting of any radio communication originating outside the United States.

"(b) It shall be unlawful, by the use or express or implied threat of the use of force, violence, intimidation or duress, or by the use or express or implied threat of the use of other means, to coerce, compel or constrain

or attempt to coerce, compel or constrain a licensee or any other person—

"(1) to pay or agree to pay tribute for the privilege of, or on account of, producing, preparing, manufacturing, selling, buying, renting, operating, using, or maintaining recordings, transcriptions, or mechanical, chemical, or electrical reproductions, or any other articles, equipment, machines, or materials, used or intended to be used in broadcasting or in the production, preparation, performance, or presentation of a program or programs for broadcasting; or

"(2) to accede to or impose any restriction upon such production, preparation, manufacture, sale, purchase, rental, operation, use, or maintenance, if such restriction is for the purpose of preventing or limiting the use of such articles, equipment, machines, or materials in broadcasting or in the production, preparation, performance, or presentation of a program or programs for broadcasting; or

"(3) to pay or agree to pay tribute on account of the broadcasting, by means of recordings or transcriptions, of a program previously broadcast, payment having been made, or agreed to be made, for the services actually rendered in the performance of such program.

"(c) The provisions of subsection (a) or (b) of this section shall not be held to make unlawful the enforcement or attempted enforcement, by means lawfully employed, of any contract right or legal obligation.

"(d) Whoever willfully violates any provision of subsection (a) or (b) of this section shall, upon conviction thereof, be punished by imprisonment for not more than 1 year or by a fine of not more than \$1,000, or both.

"(e) As used in this section the term 'licensee' includes the owner or owners, and the person or persons having control or management, of the radio station in respect of which a station license was granted;" and

Amend the title so as to read: "An act to amend title V of the Communications Act of 1934 so as to prohibit certain coercive practices affecting radio broadcasting."

Mr. WHEELER. Mr. President, I move that the Senate disagree to the amendments of the House, ask for a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JOHNSON of Colorado, Mr. TUNNELL, Mr. MYERS, Mr. WHITE, and Mr. AUSTIN conferees on the part of the Senate.

WILLIE H. JOHNSON

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1129) for the relief of Willie H. Johnson, which was, on page 1, line 6, to strike out "\$600" and insert "\$350."

Mr. PEPPER. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

#### COVERAGE OF CERTAIN DRUGS UNDER FEDERAL NARCOTIC LAWS—CONFERENCE REPORT

Mr. GEORGE submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2348) to provide for the coverage of certain drugs under the Federal narcotic laws, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate; and agree to the same.

WALTER F. GEORGE,  
D. I. WALSH,  
JOS. BAILEY,  
ROBT. M. LA FOLLETTE, Jr.,

*Managers on the Part of the Senate.*

R. J. DOUGHTON,  
JERE COOPER,  
JOHN D. DINGELL,  
A. WILLIS ROBERTSON,  
HAROLD KNUTSON,  
D. A. REED,  
ROY O. WOODRUFF,

*Managers on the Part of the House.*

Mr. GEORGE. Mr. President, I move the adoption of the conference report. The report was agreed to.

#### URGENT DEFICIENCY APPROPRIATION ACT, 1946

The Senate resumed the consideration of the bill (H. R. 5458) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for other purposes.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will state the amendments of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the heading "Legislative," on page 2, after line 1, to insert:

#### SENATE

For an additional amount for clerical assistance to Senators (including chairmen of standing committees) at the rate of \$2,400 per annum, effective March 1, 1946, fiscal year 1946, \$76,800.

The amendment was agreed to.

The next amendment was, on page 2, after line 6, to insert:

Notwithstanding the provisions of the act of May 10, 1916, as amended by the act of August 29, 1916, the Sergeant at Arms of the Senate is hereby authorized during the Seventy-ninth Congress to employ, whenever necessary, the services of Government employees for folding speeches and pamphlets at the prevailing rates provided by law.

The amendment was agreed to.

The next amendment was, under the subhead "House of Representatives," on page 2, after line 15, to insert:

For payment to the widow of J. Buell Snyder, late a Representative from the State of Pennsylvania, \$10,000.

The amendment was agreed to.

The next amendment was, under the heading "Executive Office of the President—Office for Emergency Management—Civilian Production Administration," on page 3, line 9, after the numerals "1946", to strike out "\$1,500,000" and insert "\$750,000."

Mr. HAYDEN. Mr. President, I desire to be heard in opposition to the committee amendment. I desire to invite the attention of the Senate to the fact that the amount of money carried in the bill as it passed the House is the amount contained in the Budget estimate, and

that it was adopted by the House on a unanimous report from its Committee on Appropriations, and that the leadership on both sides in the House supported it.

I quote from the CONGRESSIONAL RECORD the statement by Mr. CANNON of Missouri, the chairman of the House Committee on Appropriations, who said this appropriation—

deals with the disposition of every commodity, and especially, at this time, housing items, lumber, steel, and building materials, of which the whole country is so desperately in need. It has already relaxed many of its restrictions, but due to the change in the economic situation and delay in the reconversion program, it is necessary now to continue many of its activities and resume some of those discontinued to insure an adequate supply of materials and facilitate their distribution.

Then Mr. TABER, the Republican leader on the House Committee on Appropriations, said:

This bill does not call for an enormous sum of money. The total involved is something in the neighborhood of \$3,500,000. One of the major items is the Office of Civilian Production. I can see where a very considerable additional activity temporarily and for a few months after the severe strike situation that the country is facing, will be placed upon that Administration, because there probably will have to be for a little while allocations of some of the critical materials. We probably could not break away from that immediately.

The committee report, which is unanimous, points out that it has become necessary to retain an effective operating organization in addition to activities concerned in orderly liquidation. That is due to the strike situation, to the fact that unemployment was not so great as had been expected, and therefore there is a shortage of labor. As pointed out in the report there were 23,000 employees in the Office of War Production when the war with Germany came to an end. After that the number was reduced. When VJ-day came the number was down to 11,000. Mr. Small, who is head of the organization, appeared before our committee last fall and said they were continuing to reduce the number of employees; that by the first of the year they would have cut down the number to 2,500; that by this time they would have cut down the number to 2,300, and by the 1st of April, if they were given no more money, the number would be reduced to 400, and the 400 would wind up the Civilian Production Administration.

The coal strike was then in progress, and Mr. Small stated at that time that if there was a continuance of labor disturbances which interfered with production it would be necessary to channel material. He agrees with everyone that production is the essence of this situation. He said that if ample production could be obtained it would not be necessary to channel material. In the absence of ample production, caused by strikes, by the unavailability of labor, or whatever it may be, it is necessary for a time to continue to channel materials, particularly in the building industry. For that reason we are confronted with this question: Do we, out of a total of 23,000, want to keep on the pay roll from



April to the 30th of June 2,300 experts who know how to channel these materials? It takes this much money to do it. The House has appropriated it. I think the Senate should appropriate it.

Mr. McKELLAR. Mr. President, I regret very much that my distinguished friend, the Senator from Arizona, whom I admire and esteem most extravagantly, should take the position that this appropriation ought to be increased. The question is perfectly simple. The matter of housing has recently been placed in the hands of a housing administrator, Mr. Wyatt, who, from what I hear of him and from what I have seen of him, seems to be a very excellent man. The Administration of which Mr. Small is the head is the old War Production Board. Last fall the War Production Board, like all the war agencies, was asked to make a thorough examination and cut down its appropriations, have them rescinded and the money placed back in the Treasury. Mr. Small did that.

In the meantime that agency had been changed from the War Production Board to the Civilian Production Administration. It is remarkable that that should have occurred at the time it did occur, to say the least. Why should the name be changed? If the agency was doing good work in wartime, it could continue to do good work in peacetime if it were necessary to retain it. It was not necessary to change the name. That in itself is somewhat peculiar.

But that is not the real trouble, Mr. President. The real trouble is that they are now undertaking to justify a larger appropriation by saying that they are going to use the money to help the housing situation. Unless the whole system of government has been changed from what it was during the 35 years I have been connected with it, we all know that the Housing Administration will not get started before about the 1st of July. If it is able to start by that time, it will be doing well. It will do something, but it will not become very vigorous or active before the 1st of July. In the meantime one and a half million dollars will be spent by the other agency, which is not a housing agency, but which seems very kindly disposed toward the new Housing Administration and is willing to keep many of its old employees on the pay roll of the new agency under the excuse, as it seems to me, and as I think anyone may infer from the testimony, that this money will be spent for the benefit of the Housing Administration, which, Mr. President, has not really yet been set up.

Mr. President, it seems to me for the Congress to appropriate money under such circumstances is not justifiable, and I am opposed to that kind of legislation. Perhaps I may be wrong. It may be that the Senator from Arizona is right. Perhaps Mr. Small will allocate this money in such a way that it will do the Housing Administration some good. I do not know. It will certainly provide salaries for members of the old War Production Board until July 1, and it seems to me to be unnecessary even to allow half the amount for that purpose. I think it would be better if they had not made a request for money. Now that the war is

over, we will have to end many of the war agencies at some time.

Mr. President, keep in mind that this agency is really the War Production Board. The War Production Board should have been one of the first agencies to go out of existence. Instead of that they made request for appropriation last fall. They reduced the number of employees very considerably, and that was entirely proper; but I think the War Production Board should pass entirely out of the picture by July 1, next. I think it would be regrettable that that should not happen; but surely the Senate ought not to appropriate more than the committee recommended. This subject was very thoroughly examined into by the committee. There was a very great difference of opinion. The matter was very carefully considered and voted on, not once, but several times, as I remember, in one way or another. For that reason it seems to me that the recommendation of the committee is about the best we can do in the matter.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CORDON. I inquire of the distinguished Senator from Tennessee whether it is his understanding that the Housing Authority at the present time has the legal authority to allocate lumber and other building material, as has the Civilian Production Administration, successor to the War Production Board? That seems to be the field in which the Civilian Production Administration intends to work.

Mr. McKELLAR. We had a great deal of evidence on the question. As I understand, the Civilian Production Administration has assumed to take that duty on itself for the Housing Authority, and I do not believe that that ought to be done. I do not believe that we should establish one organization to do certain work, and then let another organization come along and say, "We will take over a part of your duties. Let Congress appropriate so much money for us, so that we may keep our employees on the rolls, and we will do all we can for housing." That is what this amounts to, and frankly I am very much opposed to it.

Mr. President, I yield the floor.

Mr. CORDON. Mr. President, I am one of those who believe in reducing appropriations. However, in connection with this particular item I believe that we should do one of two things. We should either appropriate sufficient to let the skeleton administration function, or we should eliminate it entirely. As I understand, the chief duty now devolving upon the Civilian Production Administration, which by executive order succeeds the War Production Board and has the same authority, is to require the allocation of building materials to home building purposes rather than to other purposes.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CORDON. I am glad to yield.

Mr. McKELLAR. Does the Senator say that it is his understanding of the law that the War Production Board, as changed by Executive order, has the authority to say how much shall go into

civilian construction? Does it have control over the allotment of materials which enter into civilian construction?

Mr. CORDON. That is my understanding.

Mr. McKELLAR. I am quite sure the Senator is mistaken.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. HAYDEN. I can state positively that no other agency of Government except the Civilian Production Administration has authority of law to allocate building materials, to channel machinery, and to do the other things necessary to break the bottlenecks of business. No other agency has such authority.

Mr. McKELLAR. Can the Senator refer to the law?

Mr. HAYDEN. Let me ask the Senator this question: Can he read to me any law which shows that any other agency has the authority? Neither of us has any law books before him, but I know what I am talking about.

Mr. McKELLAR. In my judgment no organization has such authority. The War Production Board has not been changed since the war closed. I do not think it has authority over civilian production of housing. I do not think there is any other agency which has such authority. I do not know of any authority, under perfectly well-known rules of constitutional law—and I still think we have a Constitution, although sometimes I am in doubt—which would justify or authorize an appropriation of this kind.

Mr. CORDON. Mr. President, may I inquire of the distinguished Senator from Tennessee what his idea is of the duty of the Civilian Production Administration, as it is now constituted?

Mr. McKELLAR. Since the War Production Board has changed its name, and perhaps done other things, I do not know, and I do not believe anyone else knows, what its authority is in time of peace. It was not established as a peacetime organization. As we all know, it was established as a wartime organization. I do not believe that merely because its name has been changed it has any authority whatsoever over peacetime housing.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. FULBRIGHT. I cannot cite the law, but it seems to me that under the War Powers Act the President, by Executive order, has given such power to the War Production Board.

Mr. CORDON. The War Production Board exercised that power throughout the war. It was the establishment of priorities by that Board which made it possible for war production to be conducted in an orderly manner, and to reach the heights which it reached during the war.

The War Production Board, as such, was substantially cut of business shortly after VJ-day. The President, by Executive proclamation, continued the authority of the Board under the name of "Civilian Production Administration." Personally, I did not have the opportunity to hear Mr. Small's testimony;

but, as I understand the present situation, the Civilian Production Administration is now functioning almost entirely in the field of allocation of building materials of various kinds, in the attempt to expedite the housing program in the United States. Very frankly, I am gravely doubtful as to whether it will succeed in that field.

I submit that we should do one of two things. We should either give the agency sufficient money to enable it to do the job, if it can be done, or else cut the appropriation off entirely.

At the present time the Civilian Production Administration requires, under its order, that all lumber sales be made for housing purposes, up to a certain major percentage of the lumber available at retail yards. It also requires certain set-asides at the production end of the lumber business. Sawmills are required at the present time to cut 40 percent of their cut in housing lumber. Again, I say frankly that I believe that order was ill-advised. I believe it will have to be changed. But the fact remains that this is the agency, and the only agency, so far as I know, which can change it. It is the agency which promulgated the order and the agency which has the authority to do it. It seems to me that the least we can do, if we are to maintain the agency in existence at all, is to give it sufficient personnel to do the last remaining part of its job in time of peace. I believe that it will require the amount allowed, \$1,500,000.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. HAYDEN. As I understand the Senator, he has the facts the same as I have them. During the war the War Production Board was created and functioned. The War Production Board was not created by act of Congress.

Mr. CORDON. That is correct.

Mr. HAYDEN. The President created the War Production Board after several other agencies had tried to do the job; and that agency, under that name, allocated materials so as to facilitate the winning of the war. It allocated materials to the places where they were needed in order to win the war.

Then, by the same authority by which the President created the War Production Board, the war being over and the President being anxious that civilian production be resumed, by Executive order he changed the name from War Production Board to Civilian Production Administration.

Mr. CORDON. That is correct.

Mr. HAYDEN. I believe I am correct in stating that recently the President issued an Executive order with respect to the channeling of materials into housing.

Mr. WHERRY. Through this agency?

Mr. HAYDEN. Just a moment. I am asking my friend from Oregon a question.

I understood Mr. Wyatt to say the other day in an address which he delivered that two things were to be done. One was to put into effect immediately an Executive order of the President which would assist in channeling materials toward housing. The other was

the enactment of legislation authorizing certain appropriations to stimulate production.

Mr. CORDON. In the nature of subsidies.

Mr. HAYDEN. Yes. I have not seen the text of the order, but if I correctly understood Mr. Wyatt, the order had already been issued that day—this was 2 or 3 days ago—whereby the President directed that materials available in the United States which are now uncontrolled should again be placed under control and channeled into housing. Is that the Senator's understanding?

Mr. CORDON. That is my understanding.

Mr. HAYDEN. If that be the case, what other agency of Government can do the channeling except this agency?

Mr. CORDON. There is no other agency in existence, to my knowledge, in the Government establishment.

Mr. HAYDEN. Furthermore, when Mr. Wyatt was making this address I specifically asked him, "Do you have authority, or do you expect to have authority, to channel materials into housing?" He said, "No; I have no such authority, and I do not expect to have it. It would be utterly impossible for me to try to set up a new organization to do something which the Civilian Production Administration is perfectly capable of doing, and has had experience in doing over these many months."

Does the Senator understand that to be the situation?

Mr. CORDON. I am in accord with the Senator from Arizona in my understanding.

Mr. HAYDEN. Those are the facts, as I understand them to be.

Mr. AUSTIN. Mr. President, will the Senator yield to me?

Mr. McKELLAR. Mr. President, if the Senator from Vermont will pardon me, let me say that if there are any such facts I shall be delighted to have the Senator read the Executive order referred to and any other Executive order which provides for having the Civilian Production Administration take over housing or channel materials for housing, as the Senator calls it, or do anything else along those lines. The truth of the matter is that no law provides for that being done. The House of Representatives and some members of the Senate committee wish to appropriate \$1,500,000 to this defunct organization which the Senator from Arizona [Mr. HAYDEN] just said has done away with about nine-tenths of its employees, I believe, although it wishes, and is very anxious, to keep the rest of them, and believes it is the proper organization for this purpose.

Mr. President, something more than belief is required in order to establish an organization. In time of war it can be done by the President, under authority given by the Congress. In view of modern tendencies, it is remarkable that some persons still think—and I am one of those old-fashioned persons—that we have a Constitution and laws and that it is the duty of Congress to uphold the Constitution and to pass the laws in accordance with it. Of course, I know I am old-fashioned, perhaps even superan-

nuated. But I still believe in the Constitution which all of us swore to protect and defend. To my mind, it is unthinkable and unbelievable that the Congress should make this appropriation merely because some man who has not yet been appointed to office or whose nomination has not yet been confirmed or who has not yet been sworn in to serve in an office thinks this organization might help, and that the Congress should appropriate \$1,500,000 for it.

Mr. CORDON. Mr. President, let me inquire of the Senator from Tennessee what justification is there for making a \$750,000 appropriation, in view of the Senator's constitutional position. If the Civilian Production Administration has no legal standing, then by what right may the Congress appropriate \$750,000, rather than \$1,500,000? I cannot follow that line of thought.

Mr. McKELLAR. I am just as much opposed to the \$750,000 appropriation as I am to the \$1,500,000 appropriation. But the committee out-voted me.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. CORDON. I am glad to yield.

Mr. AUSTIN. Mr. President, I do not have before me a complete copy of the order creating the Civilian Production Administration, but there is enough of it here, I think, to settle the question whether there is authority for this organization to allocate the products of the United States. At page 533 of the most recently published Congressional Directory, the following appears:

The Civilian Production Administration was established within the Office for Emergency Management by Executive Order 9638 of October 4, 1945. The same order terminated the War Production Board, effective at the close of business November 3, 1945, and transferred its functions and powers to the Civilian Production Administration. The order provided that the functions and powers transferred shall "be utilized to further a swift and orderly transition from wartime production to a maximum"

Mr. McKELLAR. Mr. President, will the Senator pardon me for a moment? The Senator left out two or three words, although I know it was unintentional.

It should read:

The functions and powers transferred by this order shall, to the extent authorized by law—

And so forth. Does the Senator contend that there is a law providing for this?

Mr. AUSTIN. Yes, I do. Of course there is a law.

Mr. McKELLAR. What is the law which authorizes the appropriation of this money for the use of the Civilian Production Administration for the purpose of public housing?

Mr. AUSTIN. The law to which I refer, which is the foundation of the Executive order, is the First Emergency War Powers Act. I am not familiar with the language of the recent statute passed by the Congress enabling the President to terminate functions, transfer agencies, and so forth, but I am confident that that authority justifies this particular transfer.



Now I should like to continue, and I am not misquoting the order. All I am doing is reading what is contained in the Congressional Directory. I started the quotation definitely at the verb. I shall start the sentence again. The first part of it is not a quotation:

The order provided that the functions and powers transferred shall "be utilized to further a swift and orderly transition from wartime production to a maximum peacetime production in industry free from wartime Government controls, with due regard for the stability of prices and costs."

That is all that appears in the Congressional Directory, but that seems to me sufficient to determine the question whether this authority was transferred to that agency. That does not indicate at all which way I intend to vote on this question, but I am satisfied that the Civilian Production Administration has as one of its functions the matter of making such allocation of the products of our fields, forests, and factories as will expedite and attain the maximum degree of orderly and swift transition from wartime to peacetime production.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. CORDON. I ask the Senator to pardon me for one moment. First I desire to express my appreciation to the Senator from Vermont for his contribution.

Now I am pleased to yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, of course, I did not intend to say that the Senator from Vermont had misread the language in any manner, shape, or form at all. I know the Senator from Vermont too well to think that he would do that. But I happened to have a copy of the Executive order in my hand. It reads in this way:

3. The functions and powers transferred by this order shall, to the extent authorized by law—

We still think of a law, I believe, as an order or authority or statute passed by the Congress and signed by the President—

be utilized to further a swift and orderly transition from wartime production to a maximum peacetime production in industry free from wartime governmental controls—

Mr. President, if there ever was governmental authority over the products in question it exists right now. This order seems to refer to something else—with due regard for the stability of prices and costs.

I am not sure whether that refers to the question we have in mind. At any rate, regardless of whether the order refers to it, the administration headed by Mr. Small—the so-called Civilian Production Administration—went before the House committee and persuaded it to recommend an appropriation of \$1,500,000, and the House of Representatives voted that appropriation—for what? Mr. Small and the witnesses with him said the House did it for the purpose of expediting the handling of housing, for which Mr. Wyatt is the administrator. When Mr. Wyatt was asked about it—and this is my recollec-

tion of what he said, as stated in the newspapers; I do not think he said it in the committee—his position was that he wanted any sort of help, and, of course, if the Congress gave \$1,500,000 to a wartime control agency, such as the War Production Board, to enable it to keep a number of employees in office and to make it possible to pay salaries to them, that was all right with him.

Mr. President, I do not think it is right, and I hope the Senate will vote it down.

Mr. CORDON. Mr. President, again I thank the Senator from Tennessee for his contribution.

In closing, let me say that the Civilian Production Administration has the same legal standing that the War Production Board had, due to the fact that, regardless of declarations to the contrary, we are still in the war period. Let me say that I have grave doubts as to whether the President will be able to get the housing job done by following the plan he has enunciated. However, that is the plan. Orders channeling materials required for housing and giving priorities for the use of lumber for other purposes have been issued. The only agency which now is in a position to require performance is the Civilian Production Administration. If we are going to operate in the housing field at all, that agency should have an opportunity to function. Otherwise I feel that we should eliminate the appropriation entirely and thereby do away completely with the agency. In view of the fact that the remainder of the program is on its way, I prefer to see a fair opportunity given for the achievement of success in that field, and I hope that the committee amendment will be rejected and that the amount will be left at \$1,500,000.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, on page 3, line 9, to strike out "\$1,500,000" and insert "\$750,000." [Putting the question.] The Chair is in doubt.

Mr. AIKEN. I ask for a division.

Mr. MORSE. Mr. President, I suggest the absence of a quorum.

Mr. HAYDEN. Let us first have a division.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Myers
Austin	Hart	O'Mahoney
Bailey	Hawkes	Overton
Ball	Hayden	Pepper
Bankhead	Hickenlooper	Radcliffe
Barkley	Hill	Reed
Bilbo	Hoey	Revercomb
Brewster	Huffman	Robertson
Bridges	Johnson, Colo.	Russell
Briggs	Johnston, S. C.	Saltonstall
Buck	Kilgore	Shipstead
Bushfield	Knowland	Smith
Butler	La Follette	Stanfill
Byrd	Langer	Stewart
Capper	McCarran	Taft
Carville	McClellan	Thomas, Okla.
Chavez	McFarland	Thomas, Utah
Cordon	McKellar	Tobey
Donnell	McMahon	Tunnell
Downey	Magnuson	Tydings
Ellender	Maybank	Vandenberg
Ferguson	Mead	Walsh
Fulbright	Millikin	Wheeler
George	Mitchell	Wherry
Gerry	Moore	Willis
Gossett	Morse	Wilson
Green	Murdock	Young

The PRESIDING OFFICER. Eighty-one Senators have answered to their names. A quorum is present.

The question is on agreeing to the committee amendment on page 3, line 9.

Mr. McKELLAR. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. O'MAHONEY. Mr. President, I desire to add a word or two in support of the position which has been taken by the distinguished Senator from Arizona.

The decision in the committee to reduce the appropriation from \$1,500,000 to \$750,000 was made by a vote of 11 to 9. In other words, there was a substantial minority in the committee who believed that the Civilian Production Administration should not be deprived of the amount which the House had allowed. I do not recall whether or not the Senator from Arizona pointed it out, but—

Mr. McKELLAR. Mr. President, I may say that the Senator is correct in the figures which he has given.

Mr. O'MAHONEY. Yes. The Bureau of the Budget sent a recommendation to the Congress, as I recall, for \$1,700,000, or \$1,750,000. The House committee reduced the Budget Bureau's recommendation to \$1,500,000.

It seems to me that the issue before the Senate is a perfectly simple one. By practically unanimous action Congress recently continued the Second War Powers Act until the 30th of June 1946, in the belief it was absolutely essential, in the interest of reconversion, that authority such as that which is exercised by the Civilian Production Administration should be preserved until at least the 30th of June. There was a substantial opinion in the Senate and in the House that those powers should have been extended for a year. But, by a narrow margin of one majority the Senate decided against a year's extension and granted only a 6-month extension.

Mr. President, the point I make, however, is this: The extension was legislatively granted for 6 months, that is to say, until the 30th of June. In its legislative capacity Congress said in effect, "We need to exercise these controls until at least the 30th of June." The appropriation, which was recommended by the Bureau of the Budget and passed by the House, was an appropriation to implement that legislative decision. How important it is that we should exercise control is illustrated by the crisis existing in connection with housing, and in connection with the shortage of lumber.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. McKELLAR. After VE-day and after VJ-day the President asked the various departments to make calculations and ascertain how much they would need to perform the work assigned to them on a peacetime basis, because we did not expect any more war between then and, at least, next July. Those departments were asked to make their estimates and send in their recommendations.

This organization made that examination and reported to the President of

the United States that it needed so many employees, and that it would need so much money. The remainder of the appropriation was rescinded by a bill which was signed only a few days ago. Congress passed that bill. So Congress has acted upon the report of this organization. Later the housing situation became acute, with the result that the organization of the old WPB, now the Civilian Production Administration, re-examined its report, and concluded to request the money necessary to help the new Housing Administrator to carry out his work. I do not mean that the CPA has been authorized by anybody to do the Housing Director's work, but the Housing Director says, in a published interview, I believe, that it would be all right with him. I do not know what else he could have said under the circumstances. Certainly it is the desire of a portion of our committee to reappropriate some money in order that that might be done. That is the whole question.

In my judgment, we cannot pay too much attention to the CPA, for the reason that it has already operated in this matter twice. It certainly made a mistake the first time, according to its own admission, and I think it made a worse mistake the second time.

Mr. O'MAHONEY. Mr. President, I think the Senator does an injustice to the Civilian Production Administration when he says it made a mistake. If a mistake was made, it was the mistake of repealing too soon controls which our civilian economy did not admit of being released.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. HAYDEN. I wish to quote again from Mr. CANNON, the chairman of the House committee. He said:

Due to the change in the economic situation and the delay in the reconversion program, it is necessary now to continue many of its activities—

That is, the activities of this agency—to insure an adequate supply of materials and facilitate their distribution. So, out of the \$10,000,000 we took away from them under the assumption that their activities could shortly be dispensed with, we here provide for the return of \$1,500,000. I think no one will question the importance of continuing these essential activities until war conditions are more fully alleviated and the reconversion program is further advanced.

Mr. O'MAHONEY. I thank the Senator. That is precisely what the situation is as it has appeared to me from the evidence before the Committee on the Judiciary and the evidence before the Committee on Appropriations.

The fact is that the wartime controls were released with such speed and to such an extent that many small businesses in the country are unable, without the assistance of CPA, to obtain the supplies which they need to continue in business. It is a protection of little business in this country to grant this appropriation.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. I suppose we are all familiar with the shortage in lumber—a commodity which is very essential in connection with the housing program which we are seeking to inaugurate. There is not only a shortage of lumber but of many other commodities.

I happened to have called to my attention very recently a situation existing with reference to the supply of a certain cloth out of which men's suits are made. There was a supply on hand in the whole country of 5,000,000 yards. There were requests for 20,000,000 yards. Obviously, unless there were some control of the distribution of the 5,000,000 yards among all those who wanted 20,000,000 yards, the large concerns which were able to rush in and buy, and even probably bid up prices, would have gotten all of the 5,000,000 yards, whereas the Civilian Production Administration allocated that yardage among manufacturers of men's clothing in the United States, so that the small manufacturer in the small town got his proportionate share of the goods, and was able to proceed to make clothes for men. Would the reduction in this appropriation cripple that sort of an operation on the part of the Civilian Production Administration?

Mr. O'MAHONEY. It most certainly would because it would make it impossible for the Civilian Production Administration to maintain the personnel necessary to make these allocations effective.

Mr. BARKLEY. There may be many other commodities which are in the same situation, but I happen to know about this one because a plant which operates in my old congressional district, and within 25 miles of my home, is the one which was making application for some of these goods, and it was necessary that the Civilian Production Administration take charge of the allocation of the goods; otherwise that little plant probably would have been denied any at all, and it might have been compelled to close its doors, and for the time being stop the manufacture of the suits it was producing.

If the personnel for which the appropriation is asked is needed for a thing of that sort, and in many other lines of business which it is easy for us to imagine, it seems to me that in the interest of the small manufacturer, the small businessman, and in the interest of fair distribution of whatever is available among those who demand it, we should not cripple the staffing of this agency, which probably has found that we lifted some of the controls a little bit too soon, and some of them have to be reinstated.

Mr. O'MAHONEY. My recollection is, I will say to the Senator, that evidence in the hearings before the Committee on the Judiciary on the extension of the War Powers Act show that out of some 4,000-plus orders and controls which were in effect on VJ-day in various agencies, less than 300 remain outstanding. In other words, the Civilian Production Administration has demonstrated by its action its desire to remove the controls as rapidly as possible, and, as has been pointed out by the reports of the chair-

man of the House Committee on Appropriations, just read by the distinguished Senator from Arizona, \$10,000,000 was surrendered by CPA of an appropriation that was available to it, and here we are restoring to it only a million and a half of the ten million which was taken away, because since that action it has become clear that we must maintain this agency in partial activity.

Mr. BARKLEY. In other words, we were all in a hurry to lift the controls; we were impatient to get rid of them, and the chances are, as we look back now, that we realize that we were so anxious to do it that we went too far, and now have to back up a little. That is probably what has happened with respect to CPA.

Mr. O'MAHONEY. My position is simply that we should not, by withdrawing \$750,000 of this appropriation, risk the crippling of this agency in the performance of an essential work in the interest of our economy.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 3, line 9.

Mr. REVERCOMB. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. REVERCOMB. As I understand, a vote "yea" is a vote for \$750,000, and a vote "nay" is a vote for a million and a half.

The PRESIDING OFFICER. The Senator is correct.

Mr. OVERTON. Mr. President, we all talk about economy; we return to our homes and talk to our constituents and say we are in favor of economy, that too much money is being spent, that the budget should be balanced, that something should be done and that we are going back to Congress and do it, but when we are confronted face to face with an issue of economy we generally vote against economy and in favor of the continuance of a spending program.

As a member of the Committee on Appropriations, I find it very difficult to bring about a reduction in the appropriations for any agency. The only witnesses who appear before us represent the department or agency concerned. We hear their statements and we undertake to analyze them as best we can. Their statements, however, are ex parte statements and they are altogether in favor of a continuance of a spending program in behalf of the particular agency or department. We listen to what representatives of the agencies have to say and we find out, so far as the testimony before us goes, that it will be not only almost ruinous to the agency but will be very detrimental to the Government and its functioning if we should reduce an appropriation. They say they need all the employees they now have, and they need more besides, and they must spend money for this and they must spend money for that.

This particular agency, the Civilian Production Administration, came before us when we had under consideration the rescission bill, and they submitted, I suppose under the direction of the Bureau of the Budget and the President, a pro-



gram of restricted spending, a program of economy. We had gotten away from the War Production Board and all the activities in which that Board was engaged, and continued in a very limited way some of its activities under the name of the Civilian Production Administration. So the rescission was made. That bill has just become law. But no sooner did it become law than representatives of the Civilian Production Administration came knocking at our door and said, No; that is all wrong. We cannot enter on any program of economy as contemplated. We need \$1,500,000 more." Their statement was that they could not undertake further to reduce their personnel. They are still to keep every employee they have on their pay roll until the end of the present fiscal year.

Mr. President, I do not believe that is right, and when we analyze the situation it will be found that it is not right. The Civilian Production Administration can perform its limited functions, which have to do with the funneling of material, with the personnel they now have under the existing appropriation. It is not necessary to proceed to pour \$1,500,000 or \$1,750,000 more into it. As a matter of fact, I took the position in the committee that the agency should not have any further appropriation, and I think I was right. I think it can function under the present appropriation, under the money left to it after the rescission knife was applied to that item.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. McKELLAR. The Senator will recall that Mr. Small testified, and in answer to a question I asked him as to whether they could get along with a small amount, he said:

What is the use. We will be coming back to you immediately for more.

The Senator recalls that statement very well, does he not?

Mr. OVERTON. He said that even if he were given the total appropriation he would be coming back for more. We shall not get rid of this agency so long as we supply it with the funds to keep up its personnel and maintain it in operation.

Mr. McKELLAR. If the Senator will permit me, I will read Mr. Small's statement which appears on page 32 of the hearings. The Senator remembers he was asking for \$1,700,000, and not for the \$1,500,000 appropriated by the House. He said:

In the event this additional \$1,700,000 is not approved, it will be necessary to terminate all employees, except approximately 400, to be effective April 15, 1946, in order that payment may be made of accrued annual leave and other liquidation costs during the current fiscal year.

I call the attention of the Senator to that testimony by Mr. Small because the whole question is sewed up in that one statement. What they are going to do if we do not grant this appropriation they ask is to cut down the number of the employees of the Government. The War Production Board had already cut off a great many of its employees and certified that fact to the Congress and to

the President. Yet Mr. Small bobs up serenely when he comes to the point where he must cut off the employees because of the lack of money, and says "We will have to have more money or we will have to cut down the number of employees." That is the whole question. If the Senate of the United States feels that all our wartime employees should be retained this is the way to do it. The way the various departments and agencies of the Government have undertaken to do it is to hold onto their employees all along the line. If we want to do that, Senators, I can stand it as well as can anybody else. I do not know what other Senators will do; But I hope they will not approve such action.

Mr. OVERTON. I agree with the Senator from Tennessee that if Senators do not back up the Appropriations Committee in trying to economize we shall have to abandon the whole idea of economizing. Let us consider the housing situation. Many Government agencies are concerning themselves with the matter of housing. Housing is something which should be under one control. But we have the National Housing Administration, the FHA, and we have the new Wyatt administration. We have the Civilian Production Administration that is moving into the field with all its present force, and with an application for an increased force. When any particular subject, such as the subject of veterans, becomes popular, different agencies of Government jump in and try to take charge of it. Various agencies say, "We want to do this or do that to aid the veterans." That subject was before the Appropriations Committee for a long time. Now the subject of housing has become popular, and many governmental agencies want to get into the housing field, so they can ask for more money.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. BARKLEY. We have a bill before the Banking and Currency Committee now, upon which we have been holding daily hearings, which would place the entire housing program of the Government under one agency.

Mr. OVERTON. I am glad of that, Mr. President, and I shall support an appropriation for that agency.

Mr. McKELLAR. I am delighted to hear it.

Mr. OVERTON. But I am not willing to distribute the funds of our Government among Tom, Dick, and Harry agencies which are simply trying to survive and to continue functioning.

Mr. McKELLAR. Mr. President, will the Senator from Louisiana yield to me so I may ask the Senator from Kentucky a question?

Mr. OVERTON. I yield.

Mr. McKELLAR. The Senator from Kentucky, who is a very able and distinguished member of the Banking and Currency Committee which has the subject of the housing program in charge, serves with distinction on that committee, as well as on other committees. This is the last day but one of February. Does the Senator expect that bill to become law before June?

Mr. BARKLEY. I will say to the Senator that the committee held exhaustive hearings upon the bill. It is now in the hands of a subcommittee which I think will complete its work tomorrow. We hope to be able to report the bill to the full committee perhaps on Friday, certainly early next week, and to report the bill and get it on the floor of the Senate and consider it in the very near future.

Mr. OVERTON. I hope that bill will be reported by the committee. I think it will not only be a step in the right direction, but that it is a necessary step to take in connection with the problem. The matter of housing should be under one control.

Mr. BARKLEY. The Senator will find that the legislation which is under consideration is comprehensive, and I might say complicated, too, because it is an effort to coordinate and unite all the housing agencies under one head, and when we start in to do that we find it is not an easy matter.

Mr. McKELLAR. Mr. President, I am happy to agree with that proposal. But think for a moment of what we are doing. The proper committee is undertaking to hear and to determine what sort of housing bill should be reported. In the meantime the head of a war agency which is still in existence says that those who are in the agency will lose their salaries if the agency is not continued. Without waiting for the Committee on Banking and Currency to act it is now proposed in the Senate to appropriate one and a half million dollars for this agency whether it ever gets to work or not; and I doubt very much whether it will get to work before the first of July. I doubt it exceedingly; I doubt it even more than exceedingly. If I were a betting man I would bet that between now and the first of July there would not be anything done by this housing agency.

Mr. OVERTON. Mr. President, I desire to ask the Senator from Kentucky a question. In the consideration of the legislation pending before the Committee on Banking and Currency is it proposed to set up another agency than the Civilian Production Administration to channel the material?

Mr. BARKLEY. No; we are not dealing with the allocation of civilian goods. We are dealing with the problem of constructing houses and encouraging the construction of houses on the part of private capital in cities and communities under a coordinated plan. But the distribution and allocation of materials of all kinds, of course, cannot be taken over by a housing administration.

Mr. HAYDEN. Mr. President, during Mr. Small's testimony the Senator from Tennessee read from the House Report on the reasons why additional appropriation is necessary, as follows:

During the past 90 days, labor-management difficulties have increasingly retarded the reconversion program.

If reconversion is retarded, the allocation of materials must be changed.

Shortages have continued far beyond the time when it was believed they would be eased for practically all purposes.

Mr. Small did not say, and there is nothing in the record to show that he

would have to have more money unless a large housing program were adopted; and if it were, the number of employees now in that agency could not do the work. There would have to be more employees, and an additional appropriation.

I have found no one who knows anything about the situation who has proposed to establish a new agency to wipe out the present one. We should do one of two things. The Senator from Louisiana [Mr. OVERTON] is absolutely correct. Either we should appropriate no money at all or we should give the agency sufficient money to enable it to do the job. If we do not appropriate anything, on the first of April this agency will discharge down to 400 employees, and the 400 employees will be used to bundle up the papers, the agency will go out of business, and there will be no one to do the work. There will be no agency to do any channeling.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. McFARLAND. I have been trying today to obtain the floor. I wish to submit certain amendments to the housing bill which has been mentioned, and I intend to submit them.

This appropriation will not be a drop in the bucket compared with the housing bill if it is adopted in the form it has been introduced, and is not amended. That bill would make permanent all these war agencies. So I hope Senators will not commit themselves on all features of the bill. It has some good features. I wish to offer some amendments which will avoid making all the war agencies permanent. I hope the Senator from Tennessee [Mr. McKellar] and other Senators will not commit themselves too soon on all the features of that bill. It does have good features. We can adopt this little appropriation, and it will not be a drop in the bucket.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 3, at the beginning of line 9, to strike out "\$1,500,000" and insert "\$750,000." On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). I have a pair with the Senator from Utah [Mr. THOMAS]. I am informed that if he were present he would vote "nay." If I were at liberty to vote I should vote "yea."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from New York [Mr. WAGNER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] and the Senator from Utah [Mr. THOMAS] are necessarily absent.

The Senator from Pennsylvania [Mr. GUFFEY] is a member of the committee attending the funeral of the late Representative from Pennsylvania, Hon. J. Buell Snyder, and is therefore necessarily absent.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Illinois [Mr. LUCAS], and the Senator from Texas [Mr.

O'DANIEL] are detained on public business.

The Senator from Montana [Mr. MURRAY], and the Senator from Idaho [Mr. TAYLOR] are absent on official business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a representative of the United States to the General Assembly of the United Nations.

The Senator from Alabama [Mr. BANKHEAD], the Senator from New Mexico [Mr. HATCH], and the Senator from Montana [Mr. WHEELER] are detained at important committee meetings.

On this question the Senator from New Mexico [Mr. HATCH] has a general pair with the Senator from Maine [Mr. WHITE].

If present and voting, the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Illinois [Mr. LUCAS], the Senator from Montana [Mr. MURRAY], the Senator from Idaho [Mr. TAYLOR], and the Senator from New York [Mr. WAGNER] would vote "nay."

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] is recovering from a recent operation.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate on official business of the Small Business Committee, of which he is a member.

The Senator from Kansas [Mr. REED], who is detained on official business, has a general pair with the Senator from New York [Mr. WAGNER].

The Senator from Maine [Mr. WHITE], who is detained in important committee hearings, has a general pair with the Senator from New Mexico [Mr. HATCH].

The Senator from Wisconsin [Mr. WILEY] has been excused. He is absent on official business.

The Senator from California [Mr. KNOWLAND] is detained on official business.

The result was announced—yeas 44, nays 30, as follows:

## YEAS—44

Bailey	Hart	Revercomb
Ball	Hawkes	Robertson
Bilbo	Hickenlooper	Saltonstall
Brewster	Hoey	Shipstead
Briggs	Huffman	Smith
Buck	Johnson, Colo.	Stanfill
Butler	Johnston, S. C.	Stewart
Byrd	McCarran	Thomas, Okla.
Capper	McClellan	Tydings
Donnell	McKellar	Vandenberg
Ellender	Maybank	Wherry
Ferguson	Millikin	Willis
George	Moore	Wilson
Gerry	Overtan	Young
Gossett	Radcliffe	

## NAYS—30

Aiken	Hayden	Morse
Austin	Hill	Murdock
Barkley	Kilgore	Myers
Carville	La Follette	O'Mahoney
Chavez	Langer	Pepper
Cordon	McFarland	Russell
Downey	McMahon	Taft
Fulbright	Magnuson	Tobey
Green	Mead	Tunnell
Gurney	Mitchell	Walsh

## NOT VOTING—22

Andrews	Glass	Taylor
Bankhead	Guffey	Thomas, Utah
Bridges	Hatch	Wagner
Brooks	Knowland	Wheeler
Bushfield	Lucas	White
Capehart	Murray	Wiley
Connally	O'Daniel	
Eastland	Reed	

So the committee amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, on page 3, in line 9, to strike out "and the amount available for printing and binding is hereby decreased from '\$648,000' to '\$398,000'" and insert "and the amount available for printing and binding fixed at \$346,000 by the First Supplemental Surplus Appropriation Rescission Act, 1946, is hereby increased to \$372,000."

The amendment was agreed to.

Mr. LANGER. Mr. President, I should like to have an explanation as to why the amount is increased from \$346,000 to \$372,000.

Mr. McKELLAR. We cut the figures in the second item so as to make them accord with those in the first item. We cut the first item, and the second one is changed merely so as to accord with them; that is all.

Mr. LANGER. Very well.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, under the subhead "Office of Price Administration," on page 4, line 2, after the numerals "1946," to strike out "\$1,854,000" and insert "\$927,000."

Mr. HAYDEN. Mr. President, I wish to be heard in opposition to the amendment. I think the committee made a mistake in voting to cut in half the appropriation for the Office of Price Administration. If we are to have any kind of controls over prices during the remainder of this fiscal year, the amount of the Budget estimate will be necessary if the work is to be done. This amendment is another one in regard to which the committee was very closely divided. I think the Senate should exercise a sober second thought in regard to it.

If it is desired to sabotage the OPA, if it is desired to ruin the OPA, the simplest way to do it is to cut off the money. But that is not my way of carrying out a law enacted by Congress.

Yesterday the Senator from Wisconsin [Mr. WILEY] directed attention to a full-page editorial published in the Washington Post, entitled "The President's Wage-Price Policy Won't Work." The advertisement, inserted by the McGraw-Hill Co., contains several very significant paragraphs which I think deserve the attention of the Senate. Perhaps the company is correct in its view. Perhaps its opinion as to the OPA is correct, namely, that it will not work. It makes specific suggestions as to what we may do by amending the law so as to provide for a program that will work. But all agree—and the sentiment is expressed in the advertisement in the strongest kind of language—that with no control at all we are bound to have wild inflation. No one favors that.

Under such circumstances, it seems to me it would be a very grave mistake upon the part of Congress not to allow the amount of money estimated by the Bureau of the Budget as necessary. This item was thoroughly debated in the



House of Representatives; and on a motion to strike it out there was a record vote, and the House, by a majority of 77 votes, fixed this amount of money as the proper sum needed to carry on the work of the OPA from now until the 1st of July.

Between now and the 1st of July we shall have to pass a bill extending the life of the OPA. If we follow the suggestions made by the McGraw-Hill Co., and other suggestions of a similar nature, we can lay down standards by which to tell the OPA how to operate so as to make the needed corrections.

But the OPA cannot operate without money. If the committee reports a bill providing for such standards, and if the bill becomes the law, those standards will immediately go into effect. But if we cut off the money now, we shall not have an effective OPA.

I simply cannot follow the idea of cutting off the money. In the committee it was asserted that about half of the increase would go for enforcement. I wish to know if any Senator is willing to stand up on the floor of the Senate and say that the reason why the sum of money should be cut in half is that we wish to reduce the number of officers available to enforce the OPA law and regulations. If we are not to have anyone to do the enforcement, then why have an OPA at all? I can agree with Members of the Senate that the methods of enforcement and the kind of enforcement officers should be changed in accordance with the law, but I will not say that it is a sound or wise policy on the part of anyone to vote to have no OPA enforcement at all, which will be the result if the pending amendment is adopted.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. HICKENLOOPER. In response to the Senator's invitation, I will say exactly that. In the Federal Government there is no more sprawling agency, no more inefficient agency, no more stupid agency than the OPA. The OPA has had some 60,000 paid employees who are inflicting regulations covering minute details against a law-abiding public which is attempting to cooperate in respect to enforcement of the law. I think it is high time that we reduce the amount of surplus money which the OPA has the power to use to inflict such procedures on the public, and I think the OPA should establish some sensible and proper rules for the control of prices which will stimulate production in this country. I think the amount of money which the OPA has been voted by the committee is ample for the purposes of the OPA, and that it can thereby obtain some efficiency.

Mr. HAYDEN. Mr. President, let me ask the Senator whether he is in favor of extending the life of the OPA at all.

Mr. HICKENLOOPER. I am in favor of price control during wartime, and I hope I can be in favor of a sensible and businesslike control of our economy during the emergency period following the war.

Mr. HAYDEN. Does the Senator think the Congress is capable of passing a bill to provide for that kind of control?

Mr. HICKENLOOPER. I think the Congress has failed to enact such a statute, in view of the law which was passed, together with the interpretations made by the courts in sustaining the OPA.

Mr. HAYDEN. Then it is the fault of Congress.

Mr. HICKENLOOPER. Very well. If Congress does not meet that issue and correct the OPA's sabotage practices, there will not be any reconversion in this country to the extent that is needed, and inflation will not be stopped, and our national economy will continue in the doldrums.

Mr. HAYDEN. Then the logic of the Senator's argument is that we should not have any OPA, and for that reason under present circumstances the Senator does not wish to appropriate sufficient money to enable the OPA to function.

Mr. BALL. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. BALL. The cut made by the committee would still leave the OPA with 4,379-plus employees for enforcement. That would not exactly strip the OPA of all enforcement officers.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. OVERTON. I simply wish to state that, without this appropriation, the OPA has over \$28,000,000 for its operations up to the end of the present fiscal year. Now the OPA is asking for an additional \$1,854,000. The amendment would give the OPA \$927,000, which is exactly \$927,000 too much.

Mr. HAYDEN. There again the Senator takes the point of view that we do not need any enforcement and should not have an OPA.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. WHERRY. The Senator from Louisiana does not mean that those who are in favor of the committee amendment do not wish to have law enforcement.

Mr. HAYDEN. The law cannot be enforced unless someone is employed to see that it is enforced.

Mr. WHERRY. But the Senator from Arizona said that if the Senate should adopt the committee amendment it would sabotage the OPA, and that then there would be no law enforcement under the Emergency Price Control Act. As the distinguished Senator from Louisiana [Mr. OVERTON] and the distinguished Senator from Minnesota [Mr. BALL] have pointed out, the OPA has \$26,000,000 or \$28,000,000 for its use until the end of June of the present fiscal year, and even if the proposed cut is made the OPA will still have approximately 4,000 or 4,500 employees for enforcement purposes. The OPA argued that approximately one-half of the appropriation was for the purpose of obtaining additional law-enforcement officers. The facts reveal that at the period of high tide in OPA operations, in July 1945, the OPA had approximately 6,000 enforcement officers.

Mr. HAYDEN. And even then it did not have a sufficient number.

Mr. WHERRY. Whether it had a sufficient number to satisfy the Senator from Arizona is not the question.

The statement I made is that at the peak of wartime enforcement of controls, the OPA had 6,000 enforcement officers.

If we cut down this appropriation, there will still remain more than 4,000 officers to continue enforcement of the OPA law and regulations, and we would cut the personnel of the OPA by nearly 50 percent, clear through the list. So we would not be taking away as many enforcement officers as we would be taking away other employees.

The committee voted to grant one-half of the appropriation requested because the OPA wished to have more personnel for pre-ticketing of construction materials for housing. One-half of the appropriation will meet the OPA's requirements.

What the committee did not do was to agree to vote for the appropriation of \$1,854,000 to enable the OPA to have more enforcement officers to operate as a gestapo and to institute lawsuits causing trouble throughout our land.

In connection with this point, I should like to refer to the remarks made in the Senate yesterday by the Senator from Illinois [Mr. LUCAS]. I ask Senators to begin to read the CONGRESSIONAL RECORD, at page 1602, and see what the Senator from Illinois said at that time. To insert his statement in the RECORD would be to duplicate unnecessarily a great deal of printing. Many Senators heard his speech. He said, in effect: "In Illinois we have a gestapo." "A gestapo" is what the Senator from Illinois said. He said, "We must stop this kind of browbeating tactics of enforcing the law against little retailers and food distributors who are not willfully violating any law whatever."

Mr. HAYDEN. Mr. President, I should like to make a statement in my own time. The Senator from Illinois made the speech to which the Senator has referred. After he had finished making his speech I asked him what he was going to do about this appropriation, and he said he would vote for the full appropriation. He said in effect, "I do not want it to be said that after making the charges which I have made against the Office of Price Administration I would take money away from it which is needed to inaugurate proper reforms which I am advocating."

Mr. WHERRY. The fact nevertheless is that the statement which the Senator from Illinois made yesterday was, in effect, against the gestapo practices of the OPA. The OPA are attempting enforcement by what I call unethical methods. They are enforcing regulations against American grocers and merchants who are as fine a class of individuals as can be found anywhere. According to the testimony which was adduced before the committee, in the majority of cases of alleged violation which have been prosecuted, there had been no willful violation of the law. It is unfair for the distinguished Senator from Arizona to make the statement on the floor of the Senate this afternoon that because those of us who believe in economy and do not believe in the type

of law enforcement which has been carried on by the OPA, and are willing to vote for the committee amendment, are trying to sabotage the enforcement program of the OPA. I am as anxious to have the law enforced against willful violators as is the Senator from Arizona, or any other Member of this body, but the Senator must remember that there are still more than 4,000 employees on the OPA pay roll, and that the OPA still has \$28,000,000 with which to carry on its program until next June. We are not trying to sabotage the OPA. We are trying to have inaugurated a constructive program of enforcement, and the OPA has plenty of officers to enforce the law with the funds which it now has.

Mr. HAYDEN. Mr. President, in my own time I assert that I totally and utterly disagree with the Senator.

Mr. WHERRY. The Senator has a right to disagree with me, and to make any statement which he chooses to make; but it is not fair to state that those who believe in a constructive law enforcement program are trying to sabotage the law.

Mr. AIKEN. Mr. President, I inquire of the Senator from Arizona if the amount approved by the House is the amount which was requested by the Bureau of the Budget?

Mr. HAYDEN. It is. The House debated the question just as we are debating it here. By a ye-and-nay vote in the House the amount of money as shown in the House bill was argued to by a majority of 77.

My honest belief with reference to the OPA has been from the beginning that Congress has been niggardly in its appropriations. In many instances we have not had the kind of enforcement which we have wished for, because insufficient funds have been appropriated by Congress. I feel exactly as does the Senator from Nebraska with respect to some of the OPA officials who have gone about harassing persons. I think it would be better to place OPA enforcement in the hands of United States district attorneys than in the hands of civil-service employees with no background of experience. Congress can write a law, but the suggestion that a bad Federal administrative situation can be cured merely by reducing the number of employees engaged in doing the work required by the act, to my way of thinking, is not tenable.

Mr. WHERRY. Mr. President, there is one more thing which I should like to say. In the testimony of witnesses who had been persecuted by gestapo methods of the OPA it was shown almost entirely that the witnesses blamed Congress for the gestapo methods which were being used. I think it is time for the Congress to make clear and plain that it does not sanction such type of law enforcement. I think the record should show that such methods were conceived in the enforcement division of the OPA, and that they do not have the sanction of Congress.

Mr. HAYDEN. When the time comes again to extend the life of OPA I shall be willing to cooperate with the Senator from Nebraska in writing a law to prevent the things being done about which

he has complained. But in the meantime, believing as I do that the responsibility is on the Congress, I am not willing to have it said that the reason for lack of enforcement is that Congress is so niggardly it will not appropriate the money necessary in order properly to do the job.

Mr. BRIDGES. Mr. President, the Senator from Arizona speaks about Congress being niggardly. I think that is the most absurd statement I have heard. Congress has not been niggardly in appropriating money for the OPA, or for any other Federal agency. Congress has been far too liberal. If we start now to cut down a few appropriations it will be in accordance with good common sense.

Mr. McKELLAR. Mr. President, I am afraid we will not reach a vote this afternoon.

Mr. WHERRY. Oh, let us vote on the amendment. Let the other amendment go over until tomorrow.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 4, line 2, to strike out "\$1,854,000" and insert "\$927,000."

Mr. MAYBANK. Mr. President, on this question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BALL. Mr. President, before a vote is taken on the committee amendment I wish to point out that in addition to an appropriation of \$1,854,000 the OPA wishes to add by July 1, 2,881 more employees than it had planned to have on that date; 53 of those employees are to be added to the OPA's information department, resulting in that department having 487 employees in carrying on its propaganda program. One hundred and fifty-five employees would be added to accounting. One thousand, five hundred and eighty-five employees would be added to enforcement. That would make a total of 5,964 employees in enforcement as compared with 6,022 on July 1, 1945, when OPA's task was at its peak, and when it was rationing meat, vegetables, and nearly everything else. It now has only one rationing program, namely that of sugar. There would be added only 538 employees to the Price Division, and 550 in the Rent Division. Under the reduction proposed by the committee, the OPA would be enabled to more than take care of the additions to their staff.

The PRESIDING OFFICER. The question is on agreeing to the amendment on page 4, line 2, which will be stated.

The CHIEF CLERK. On page 4, line 2, under the subhead "Office of Price Administration", after the numerals "1946," it is proposed to strike out "\$1,854,000", and insert "\$927,000."

The PRESIDING OFFICER. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). I have a general pair with the Senator from Utah [Mr. THOMAS]. If he were present he would vote "nay." If I were permitted to vote I should vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from New York [Mr. WAGNER] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] and the Senator from Utah [Mr. THOMAS] are necessarily absent.

The Senator from Pennsylvania [Mr. GUFFEY] is a member of the committee attending the funeral of the late Representative from Pennsylvania, Hon. J. Buell Snyder, and is therefore necessarily absent.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Illinois [Mr. LUCAS], and the Senator from Texas [Mr. O'DANIEL] are detained on public business.

The Senator from Montana [Mr. MURRAY] and the Senator from Idaho [Mr. TAYLOR] are absent on official business.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a representative of the United States to the General Assembly of the United Nations.

The Senator from Louisiana [Mr. ELLENDER], the Senator from Maryland [Mr. TYDINGS], and the Senator from Massachusetts [Mr. WALSH] are detained at an important committee meeting.

The Senator from Nevada [Mr. McCARRAN], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Georgia [Mr. RUSSELL], and the Senator from Montana [Mr. WHEELER] are absent on official business at various Government departments.

If present and voting, the Senator from Louisiana [Mr. ELLENDER], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Illinois [Mr. LUCAS], the Senator from Montana [Mr. MURRAY], the Senator from Idaho [Mr. TAYLOR], the Senator from New York [Mr. WAGNER], and the Senator from Massachusetts [Mr. WALSH] would vote "nay."

If present and voting the Senator from Nevada [Mr. McCARRAN] and the Senator from Maryland [Mr. TYDINGS] would vote "yea."

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS] is recovering from a recent operation.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate on official business of the Small Business Committee, of which he is a member.

The Senator from Kansas [Mr. REED], who is detained on official business, has a general pair with the Senator from New York [Mr. WAGNER].

The Senator from Wisconsin [Mr. WILEY] has been excused. He is absent on official business.

The Senator from Maine [Mr. BREWSTER], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from New Hampshire [Mr. TOBEY] are detained in an important committee meeting.

The result was announced—yeas 45, nays 25, as follows:

#### YEAS—45

Austin	Buck	Carville
Bailey	Bushfield	Cordon
Ball	Butler	Donnell
Bilbo	Byrd	Ferguson
Briggs	Capper	George



Gerry	McMahon	Stanfill
Gurney	Maybank	Stewart
Hart	Millikin	Taft
Hawkes	Moore	Thomas, Okla.
Hickenlooper	Overton	Vandenberg
Hoey	Radcliffe	Wherry
Johnston, S. C.	Revercomb	White
Langer	Robertson	Willis
McClellan	Shipstead	Wilson
McKellar	Smith	Young

## NAYS—25

Alken	Hayden	Mead
Bankhead	Hill	Mitchell
Barkley	Huffman	Morse
Chavez	Johnson, Colo.	Murdoch
Downey	Kilgore	Myers
Fulbright	Knowland	Pepper
Gossett	La Follette	Tunnell
Green	McFarland	
Hatch	Magnuson	

## NOT VOTING—26

Andrews	Guffey	Taylor
Brewster	Lucas	Thomas, Utah
Bridges	McCarran	Tobey
Brooks	Murray	Tydings
Capehart	O'Daniel	Wagner
Connally	O'Mahoney	Walsh
Eastland	Reed	Wheeler
Ellender	Russell	Wiley
Glass	Saltonstall	

So the amendment was agreed to.

## NATIONAL HOUSING POLICY

Mr. MCFARLAND. Mr. President, is it the intention of the majority leader to finish the consideration of the appropriation bill this evening?

Mr. BARKLEY. No.

Mr. MCFARLAND. When will we adjourn to?

Mr. BARKLEY. I propose to ask that we go over until Friday.

Mr. MCFARLAND. I desire to detain the Senate for but a few minutes, but I wish to ask unanimous consent to have printed and referred to the Committee on Banking and Currency two amendments which I expect to offer to Senate bill 1592. I also ask that the amendments be printed following my remarks.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MCFARLAND. Mr. President, that this country faces a crisis in housing is clearly evident to all who know anything of the problem. A 5-year moratorium in the building of dwelling units coupled with an increase in population, the return of millions of our soldiers and sailors who desire to establish homes, and a shortage of building materials, all combine to produce this critical situation.

Something must be done to alleviate this condition. None of us can be indifferent to its importance to the Nation both from a social and an economic standpoint. There is no need to recite platitudes. The home is the foundation stone of family life; ownership or occupation of a decent home is essential to the growth of a strong democracy. There is an intimate relationship between the quality of the place where men and women live and the sense of responsibility that they, as citizens, will have. There can be little argument that clean, wholesome, and sanitary housing facilities and a clean, decent, and happy environment have a direct bearing on the amount of disease and crime in any community.

Not everyone can own a home, but to the degree that home ownership can be increased will we have increased the strength and stability of our democratic

institutions. Home ownership brings a sense of responsibility to the individual which makes him a better citizen, alertly interested in the economic and financial policies of his Government.

For this reason, if for no other, the pending Wagner-Ellender-Taft housing bill is deserving of our most intelligent and serious consideration. It broadens present law in the direction of making possible a far larger percentage of individual home-ownership in this country. That is all to the good.

But, Mr. President, though the objective is good, the method may carry with it grave dangers for our economy—and even for our form of government. I refer, of course, to the plan for so-called national housing; in short, to the idea of federally promoted housing, to the idea of putting the Federal Government into the housing business.

Mr. President, we have grown accustomed in these recent years to call on the Federal Government far too much. I am not criticizing; I am merely commenting and pointing out. We have come through a grievous war in which the individual has been subordinated to the state. That is necessary in war; but it is a concept wholly alien to the theory of free democratic government. Somewhere, somewhere, we will have to call a halt; somewhere, somewhere, we must return to the idea of individual initiative and personal enterprise. If we do not do it soon, and do it completely, we will drift inevitably into state socialism; into a system in which a paternalistic state does everything for the citizen. And, of course, the corollary of that is self-evident—the state feeds on itself, becomes increasingly powerful at the expense of the individual, and democracy becomes a hollow sham—a fondly remembered dream.

Mr. President, I am fully aware that there are crises in which only the power of the Federal Government is ample to cope with a problem. Such crises may occur in peace as well as in war. And I am fully aware that the present housing situation is a crisis that will tax the good will and ingenuity of our people. I do not, for one moment, argue against the premise that it is essential that our people in the lower income brackets should have decent housing. I do not contend against the idea that every effort should be made to eradicate slums, and replace them with decent, clean, sanitary dwellings. But, Mr. President, how far should we go with such a program; to what extent should the Federal Government continue in this field?

Let us look at the facts. What uniformly has been our experience in the creation of new agencies, departments, and establishments of Government? Without exception, they grow and grow, expand and expand, become greater and greater, continually showing the need for their continuance. Think for a moment of what we give life to when we create a new Federal agency actively to promote the building of public housing. It can expand only by promoting the building of more public housing. In a few short years through the buying power it will have, it can create the most

powerfully backed lobby for its expansion that we have had in all our history.

That is the negative aspect of the situation. What is the affirmative side? Only a few weeks ago this body passed, and a few days ago President Truman signed, the Full Employment Act. Have we forgotten already the purposes and intent of that legislation? Were we tilting at windmills in passing that legislation? Are men who voted for that bill now arguing, in effect, that it will not accomplish its purpose, that we will continue to have so large a class of low-income people that the Federal Government must dominate and subsidize housing? Are we now arguing that only through this form of Federal subsidy will people be able to have decent living quarters? If the Federal Government must subsidize the individual citizen, there must be a better way to help him own his home than through this dangerously direct method of the Federal Government sponsorship of public building, owning, and making available housing to the citizen.

I have referred to the full employment bill as one method of meeting this problem. Obviously we have not given that act an opportunity to work. It has not been on the statute books long enough. Nor do I want to confuse the issue by suggesting that it alone will cope with the present emergency. It must, however, be given serious consideration in any long-time planning on housing. And whatever anyone may say about the present emergency in housing, the plain fact is that unless we are extremely careful we will take measures in the emergency which will continue for years and years long after the emergency is past.

There is a second factor to be considered in connection with the present emergency housing situation. That is the provision for meeting the housing problem for the returning veteran—which is, after all, the basic and important question now. Long before the war was over, the Senator from South Carolina [Mr. MAYBANK] and I introduced legislation which would provide a means for veterans to buy and own their own homes. I worked closely with the American Legion, VFW, and other veterans' organizations in drafting the loan provisions of the GI bill of rights. Those provisions would have enabled veterans to borrow up to 100 percent of the purchase price of homes. Unfortunately, not all these provisions were finally adopted by the other Chamber, and the housing-loan section of the GI bill was not as advantageous as it might have been. However, in recent months, the bill has been amended and I am confident that the measure will work out very favorably in promoting the purchase of homes by veterans.

I believe the Senate should give serious consideration to the GI bill of rights provisions for home ownership before we rush pell-mell into enacting new Federal housing legislation. May I remind the Senate that under this legislation the Federal Government guarantees loans up to \$4,000 to veterans, and up to one-half of the cost of a home or a farm that may be built or purchased by a veteran. Moreover, a veteran may obtain a GI

home loan for a period running over 25 years, which, together with the relatively low rate of interest, permits the purchase or building of a \$5,000 home at a cost as low as \$27 per month. It has other provisions regarding business loans, but I advert only to the home-purchase provisions at this time. Moreover, the legislation sets up a plan that is relatively free of red tape and undue bureaucratic delays, and I now understand that the Veterans' Administration has nearly completed regulations which will satisfactorily implement the law.

I have cited the full-employment bill and the GI bill of rights to emphasize that action has been taken by the Federal Government to meet the emergency housing problem as it affects the veteran and low-income groups. I believe that these sound provisions of law should be given an opportunity to prove themselves before we rush headlong into the creation of another Federal agency. I am inclined to believe that there is far too much of a tendency for Congress to meet every problem by simply creating another Federal agency and then forgetting about the problem.

Actually, our major problem in housing today lies not so much in the absence of adequate legislation or machinery as in the absence of a sufficient quantity of building material. And this is a good place to remind ourselves that whatever material is diverted to the construction of Federal housing developments deprives the veteran of the material necessary to build his own little home. I am firmly of the opinion that we will do far more to implement the building industry and meet this housing crisis by serious consideration of methods to speed the flow of building materials for construction in this country. Moderately priced homes for veterans must come first and moderately priced homes for others second in priority in allocating building materials.

I do not want what I have said regarding this legislation to be interpreted as opposition to any program of slum eradication in this country. The elimination of slums in our metropolitan cities is a major and urgent Nation-wide problem. The existence of slums and the economic and social problems they create pose important questions. They are areas of economic waste in our cities; they add greatly to the cost of municipal functions, and they breed crime, disease, and moral conditions that are shocking in this day and age.

I agree that the Federal Government has a concern with this problem, but only to the extent that States, cities, and local municipalities require assistance in meeting these slum problems. I believe that this assistance can and must be given in such manner as does not involve the Federal Government in the ownership, management, or continuing control, direct or indirect, in the development of such reclaimed slum areas. The Federal Government's interest in this problem should end, in my opinion, with its financial assistance on a pro rata basis with States or cities in the purchase of the slum area land. We have a pattern, already well established and proven sound,

for this type of assistance in the Federal-aid program of road building.

To accomplish this purpose of Federal aid in slum clearance, and to meet the objections I have heretofore outlined with respect to the creation of a new Federal agency for housing, I am offering two amendments to the bill S. 1592.

My first amendment strikes out titles I and II of the bill, which provide for the permanent organization of the National Housing Agency and authorize the permanent agency to conduct on its own account and through State agencies extensive research.

In place of this new agency, this amendment would create a policy board consisting of the Secretary of the Treasury, as chairman, the Chairman of the Federal Home Loan Bank Board, the Federal Housing Administrator, the Administrator of the United States Housing Authority, the Administrator of Veterans' Affairs, and the Secretary of Commerce. This board would be authorized to coordinate the general policy of all agencies of the Government dealing with housing and housing financing. In addition, it would make such recommendations to the President and Congress in connection with housing matters as it deems desirable.

I have also provided in the first amendment that the policy board must give due consideration to the rehabilitation of veterans of World War II, and must, in adopting rules and regulations, provide preferences which will assist them in acquiring homes and materials for building homes.

The Department of Commerce would be authorized to continue and enlarge its functions in general housing research so as to meet the needs of the housing and housing-financing industries as well as the agencies of the Government dealing with housing.

My second amendment strikes out title VI of the bill dealing with slum clearance. It would substitute in lieu thereof a simple formula by which the Federal Government may assist States and cities in meeting housing problems. The formula provides for grants amounting to one-half of the difference between the purchase price of the land in slum areas plus the cost of its preparation for redevelopment and the use value of the land for the purpose of low-cost housing, parks, and other improvements. The plans would be prepared by the city or State, not by the Federal Government.

This amendment would eliminate the complicated machinery set up in the present title VI of S. 1592, and, in my opinion, would be far less costly in administration. Moreover, it would establish a formula which is very simple, under which the Federal Government has no continuing interest in these developments other than to assist in the purchase of the land in somewhat the same way as it assists in the building of public roads.

Mr. President, in offering these amendments it is my sincere purpose to aid our peacetime economic recovery. I have taken some pains to acquaint myself with the history of our economic development. I would like to remind my

colleagues of some facts. It was the construction of the railroad systems of this Nation in the latter part of the last century which resulted in one of the important events in our economic history. That construction ushered in an era of full employment and a high level of industrial activity. That development was carried on entirely by private enterprise, but the Federal Government aided in the program by grants of public land. I am contending for the same kind of tried and proven program in housing. Two decades ago the development of the automobile industry and the expansion of the public utilities again carried this Nation to a new high level of industrial activity.

I believe it no exaggeration to assert that today housing offers this Nation an opportunity for a third economic boom. The tremendous pent-up demand for housing in this country can be the same sort of economic prop to the American people and play the same role that the building of the railroads and the development of the automobile and public-utility industries did in their time. It can be that kind of economic prop, if undertaken in an appropriate economic environment and under a legislative program, which will encourage individual enterprise. I believe the amendments which I am offering will contribute to that desired goal.

The office and work of the National Housing Expediter, created by Executive order of January 26, 1946, shall in no way be affected by this amendment for the term of his appointment and the duration of said Executive order.

Mr. President, I ask unanimous consent that the amendments which I have offered be printed in the RECORD following my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendments intended to be proposed by Mr. MCFARLAND to the bill (S. 1592) to establish a national housing policy and provide for its execution are as follows:

Strike out all of the provisions of Title I—National Housing Agency, and Title II—Research Market Analysis and Local Planning, beginning with line 14 on page 3 and ending with line 6 on page 19, and insert in lieu thereof the following:

**"TITLE I—FEDERAL HOME LOAN AND HOUSING BOARD**

**"SECTION 101.** There is hereby created a Federal Home Loan and Housing Board to be composed of the Secretary of the Treasury, or his designee, as Chairman, the Chairman of the Federal Home Loan Bank Board, the Administrator of the Federal Housing Administration, the Administrator of the United States Housing Authority, the Administrator of Veterans' Affairs or his designee, and the Secretary of Commerce or his designee. The members of said Board shall serve ex officio and without additional compensation.

**"SEC. 202.** The Board shall meet from time to time at the call of the Chairman and at least once a month. It shall have authority to employ a secretary and such other clerical assistance as may, in the judgment of the Board, be necessary for the proper performance of its duties. It shall consider and coordinate the general policies which are from time to time adopted and followed by agencies of the Government in reference to housing and real estate financing and the



conflicts arising therefrom, and the Board in establishing all policies shall give due consideration to the housing needs of World War II veterans and shall, where necessary, provide preference for such veterans in all rules and regulations which will assist them in the acquisition of homes or materials for building homes, and shall make such recommendations as it may determine desirable to the President and to Congress for such executive action and legislation as, in its judgment, may be appropriate. Said Board shall not interfere with the administrative duties or functions of said housing or real estate financing agencies. The administrative expenses of the Board shall be borne and paid in equal portions by the Federal Home Loan Bank Board, the Federal Housing Administration, and the United States Housing Authority, and they are respectively authorized to use their annual appropriations, to the extent necessary, for such purposes.

"Sec. 103. The Department of Commerce is authorized to continue and enlarge its functions of general research, market analysis and planning in the field of home ownership and housing to the extent provision is made therefor by appropriations by Congress. The other agencies of the Government concerned with home ownership, home financing, and housing may continue to provide such research and operating statistics as may be necessary in the performance of their functions as now provided by law."

Strike out all of Title VI—Land Assembly for Participation by Private Enterprise in Development or Redevelopment Programs, from line 1, page 58, to and including line 9, page 76, and insert in lieu thereof the following:

#### "TITLE VI—SLUM CLEARANCE"

"SECTION 601. In order to assist any State, county, parish, municipality, or other public body (hereinafter referred to as the applicant agency) to clear slum and blighted areas and to assist in protecting the public health, public morals, and the general welfare, the Reconstruction Finance Corporation is authorized to make grants and loans as provided in this act.

"Sec. 602. Any applicant agency is authorized to apply to the Reconstruction Finance Corporation for grants and loans for the clearance of slum or blighted areas and said corporation is authorized to make such grants and loans as herein provided. Such loans and grants are to be used by the State, county, parish, municipality, or other public body to acquire title to slum and blighted land by purchase or process of condemnation and to clear such acquired land for redevelopment insofar as possible for private tax-paying ownership according to the highest and best use of the land, whether for commercial or industrial uses, housing including apartments or single-family homes, parks, playgrounds, or appropriate public uses as determined by a redevelopment plan for the area provided for in section 604. The land, when cleared, shall be sold or transferred to an individual, partnership, cooperative, corporation or other legal entity or public body agreeing to develop the land to its highest and best use in accordance with the redevelopment plan. The land cleared for redevelopment shall be offered for sale free of tax or assessment liens or other encumbrances at a fair and reasonable price with due regard for the new use of the land. Sale of the land shall be handled in such a manner that the public interest will be amply protected.

"Sec. 603. An applicant agency shall include in its application a description of the area which has been determined to be a slum or blighted area by its governing body, together with a plan for the redevelopment of such area to its highest and best use whether

public or private uses in a manner consistent with any existing city plan or other plans for the use of land in such area and approved by the governing body of the applicant agency. Said redevelopment plan shall include a plan for roads and other public ways, public utilities, and a designated use under a zoning law or other land-use regulation for each tract of land in such redevelopment area. Such application shall include an estimate of the cost of the land to be acquired and estimate of all clearance costs and an estimate of the value of land as cleared under the use provided in the redevelopment plan. Said application and redevelopment plan shall provide for the conveyance of such lands with reasonable restrictions or conditions to assure the redevelopment of same as contemplated in such application and plans. The applicant agency shall show ability to pay in cash at a reasonable time one-half of the difference between the estimated acquisition and clearance cost and the estimated value of the land as cleared as provided in section 607. The Reconstruction Finance Corporation is authorized to make any investigations it deems to be appropriate to determine the wisdom of the proposed clearance of such slum or blighted area and reasonableness of the proposed use or usage of said estimates. The application, estimates, and redevelopment plan may be amended from time to time.

"Sec. 604. (a) The Reconstruction Finance Corporation is authorized to grant an applicant agency a sum not in excess of one-half of the difference between the estimated total acquisition and clearance cost and the estimated sale or new use value. Such grants shall be payable in a manner to assure that such funds are applied by the applicant to the purchase price and clearance cost of land in such slum-clearance area. In making such grants the Reconstruction Finance Corporation is authorized to restrict insofar as possible the use of Federal funds in reimbursing owners of property which is not in conformity with local health, safety, sanitary, and building laws.

"(b) The Reconstruction Finance Corporation is authorized to lend an applicant agency an amount equal to the estimated value of the land when cleared: *Provided*, That if the sale price of the land exceeds the amount of the loan, one-half of that amount in excess of the loan shall be returned to the Reconstruction Finance Corporation to reduce the original grant made to the applicant agency. Such loans shall be secured by the lands acquired or by contracts providing for the repayment of such loans from the proceeds of the sale or transfer of such lands.

"Sec. 605. No grants or loans as provided for in section 604 shall be made until the applicant agency has shown the Reconstruction Finance Corporation that it is legally authorized to provide cash equal to one-half of the difference between the estimated total acquisition and clearance cost and the estimated sale or new use value and until the applicant agency has committed itself in a manner considered sufficient for the Reconstruction Finance Corporation to rely upon it to provide such cash, and until the application and plans submitted by the applicant agency provide for the prompt clearance of such slum or blighted area and also provide for the prompt sale of the same upon an equitable basis, without discrimination and for the full new use value of such lands.

"Sec. 606. Families dispossessed by reason of the acquisition and clearance of land pursuant to this act who are not able to obtain other suitable housing accommodations within their income shall be given immediate accommodations in any low rent housing project receiving Federal subsidies under the United States Housing Act of 1937, as amended, or such dispossessed families shall be provided rental assistance for a reasonable period by the applicant agency as a condition for the receipt of grants and loans.

"Sec. 607. (a) In order to carry out the purposes of this act, the amount of debentures which the Reconstruction Finance Corporation is authorized to issue and have outstanding at any one time is hereby increased by \$1,000,000,000.

"(b) There is hereby authorized to be appropriated to the Reconstruction Finance Corporation the sum of \$1,000,000,000 at the rate of not more than \$200,000,000 in any fiscal year for the making of grants and loans to any State, county, parish, municipality, or other public body to accomplish the purpose of this act as herein provided."

#### SOCIAL PROTECTION PROGRAM

Mr. PEPPER. Mr. President, some days ago the able Senator from Georgia [Mr. GEORGE], the distinguished Senator from Wisconsin [Mr. LA FOLLETTE], the distinguished Senator from Ohio [Mr. TAFT], and I introduced Senate bill 1779. I ask unanimous consent to have printed in the RECORD at this point as part of my remarks a statement which I have prepared in explanation of that bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Prostitution, venereal disease, promiscuity, and sex delinquency are evils affecting the lives of our people, and the health and well-being of our communities. During the last 5 years, as a war measure, the Federal Government took special action to combat these evils. Today we are faced with the problem of continuing and extending the gains made during the war period, or else of permitting a return to vice conditions that will be regretted by all decent men and women.

Since 1941 the Federal Security Agency has conducted its social protection program with a very substantial measure of success. This program has led the way in the organization of community controls and has made outstanding contributions in combatting prostitution and venereal disease. Examples of its effectiveness include:

1. Over 700 communities have closed houses of prostitution.
2. Over 200 local social protection boards have been established.
3. Widespread improvement of law enforcement in prevention of prostitution and juvenile delinquency have resulted from the Federal Security Agency's recommendations.
4. Considerable pioneer work in the redirection of sexually delinquent girls, stimulated and assisted by the Social Protection Division, has been accomplished.
5. America has the lowest wartime venereal-disease rate of any military force in any country. The importance of the social-protection program as a factor in this achievement is attested by the Surgeons General of the Army, Navy, and the United States Public Health Service.

As a result, vice has been greatly reduced in cities where it was uncontrolled before the war. The immediate future will decide whether the advances already made are to be extended or whether the results of the investment of time and money expended by Federal, State, and local governments and private organizations and individuals are to be lost.

Vice interests and operators of houses of prostitution recognize that the Federal social-protection program was set up on a war basis and, counting on an early cessation of Federal activity, as well as a general postwar let down, they are now making plans for renewing operations. In many communities they have retained titles or leases on the properties in which they formerly did business. Some cities have already experienced a rise in commercialized prostitution. In many communities the decision between a clean town and an open town hangs in the balance.

The vice interests will fight—they have a big financial stake. Because of the pressure of organized vice, State and local officials need the continued support and assistance of the Federal Government. The present situation is described in the following excerpts from a letter which Bascom Johnson, director of the division of legal and protective measures of the American Social Hygiene Association, recently wrote to the Federal Security Administrator:

"Since VE-day our field investigations show conditions which indicate an increasing relaxation of efforts by local communities. Our studies indicate also that the main reason for this relaxation of effort is that many of these communities have looked upon the repression of prostitution as an activity which the Federal Government had promoted as a war measure which it would surely abandon at war's end—an example which these local communities feel they would be justified in following.

"The association has recently made an analysis of 181 cities in or near which commercialized prostitution had been easily accessible sometime within the 2-year period prior to the war. During the war nearly all these cities improved these conditions substantially with the cooperation of the Federal Government. As of December 4, 1945, however, commercialized prostitution had again become easily accessible in 50 of these cities."

In the last few years the active support of repression has been secured from 92 percent of the police chiefs of America. Mayors and chiefs of police, however, state frankly that continued repression depends upon Federal assistance and upon active civilian support. In asking the social protection division to help him create and keep active a permanent local social protection board, the chief of the vice squad in Houston said: "The shysters, the pimps, the madams, prostitutes, promoters, shady real-estate owners, and the whole rotten gang, plus their so-called respectable front men, are the only ones we hear from. The decent public doesn't know we exist, and the pressure we get is from the underworld."

Another problem which causes great concern is the fact that the average age level of sex delinquents has been dropping and today many of those spreading venereal disease are of juvenile court age, rather than hardened prostitutes. The repression of commercialized prostitution over the past 5 years has further high lighted the problem of the promiscuous girl or "pick-up." Coordinated community activity becomes most important in dealing with these young girls. The battle against promiscuity and the redirection of young people before social patterns become hardened require special attention. A first step in the solution is, of course, the complete elimination of commercialized prostitution. Delinquency breeds in commercial prostitution areas. Families live next door to brothels. Children see a sordid life that may look glamorous and profitable. Children run errands for prostitutes and procurers. Houses are constantly recruiting young girls as inmates. There are examples of free "service" to high-school boys as a bait for future patronage.

These hazards must be eliminated. Other necessary steps for the prevention of promiscuity and the redirection of sex delinquents are: Proper court and detention facilities, a sound program of redirection by probation and social agencies, and the widest public education on the social responsibility of all citizens, young as well as adult. An enlightened community is a powerful weapon against the insidious evils of promiscuity and prostitution.

A year ago an increase in venereal disease was predicted. What were predictions then have now become facts. Reports from communities and from the Army show a definite

increase in venereal-disease cases over the past few months. Compared with the tremendous strides in medical treatment of venereal disease, the problem of reducing the source of infection is relatively untouched. Venereal disease is now recognized as a social problem with a medical aspect, and preventive social treatment is quite as necessary as curative medical treatment.

As representatives of an impartial Federal agency assisting the States, the staff of the Social Protection Division—with the approval of the State officials—works continuously with police chiefs and city officials in developing local social protection programs. They help to improve methods of law enforcement, protective policing, detention of both adults and juveniles and to encourage the use of policewomen. Successful procedures developed in one community are rapidly made known to other police departments. Through printed materials and meetings of field representatives with civic leaders and community groups, an understanding of the dangers and costs of prostitution and promiscuity is developed together with citizen support for strong law enforcement and other preventive measures. The Social Protection representatives have joined with the State and local authorities to bring about increasing understanding and cooperation among public law enforcement and health agencies, civic authorities, private welfare organizations, and citizens groups. Such united action provides the only way a city can be kept clean in this field of health and welfare.

The Social Protection Division, as a Federal agency working on a national problem, has had the cooperation of large national organizations, such as the National Association of Chiefs of Police, the National Probation Association, and the American Social Hygiene Association. Through the National Advisory Committee on Social Protection and Venereal Disease and the National Women's Advisory Committee, the Division has the cooperation of a representative group of leading citizens and national, professional, and membership organizations.

Mr. GEORGE, Mr. TAFT, Mr. LA FOLLETTE, and I have sponsored a bill which authorizes the Federal Security Agency to continue its program of assistance to the States on social-protection problems. It would be hard to imagine any decent citizen wanting to go back to the earlier vice conditions; many States and communities need help if that is to be prevented. The vice interests throughout the Nation will oppose this bill, but they will have difficulty in finding spokesmen and the arguments of those they do find will be completely foreign to the real reason for their opposition. People do not frankly advocate the rotten business of traffic in women.

I trust the Education and Labor Committee will give S. 1779 the most serious and favorable consideration and that this Congress will act on the bill in a manner I believe to be necessary to the national welfare and authorize the continuation and extension of the Federal social-protection program.

#### EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

#### EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. BAILEY, from the Committee on Commerce:

Admiral Russell R. Waesche, United States Coast Guard, to be placed on the retired list of the Coast Guard, with the rank of admiral, effective the 1st day of January 1946; and

Lorne G. Taylor of the Coast and Geodetic Survey to be junior hydrographic and geodetic engineer with rank of lieutenant (junior grade) in the Coast and Geodetic Survey, from the 24th day of October 1945.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

#### CONSIDERATION OF NOMINATIONS

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Executive Calendar may be considered as in executive session. It contains only routine promotions in the Marine Corps and the Army.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and the clerk will proceed to state the nominations on the executive calendar.

#### THE MARINE CORPS

The legislative clerk read the nomination of Harry Schmidt to be lieutenant general in the Marine Corps.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

#### THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY. I ask unanimous consent that the Army nominations be confirmed en bloc, and that the President be immediately notified.

The PRESIDENT pro tempore. Without objection, the Army nominations are confirmed en bloc; and, without objection, the President will be immediately notified of all nominations confirmed this day.

#### RECESS TO FRIDAY

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon on Friday next.

The motion was agreed to; and (at 5 o'clock and 27 minutes p. m.) the Senate took a recess until Friday, March 1, 1946, at 12 o'clock meridian.

#### NOMINATIONS

Executive nominations received by the Senate February 27 (legislative day of January 18), 1946:

##### ASSISTANT SECRETARY OF STATE

Maj. Gen. John H. Hildring, United States Army, to be an Assistant Secretary of State.

##### POSTMASTERS

The following-named persons to be postmasters:

##### FLORIDA

Lawrence H. Raker, Crawfordville, Fla., in place of H. J. Cooper, resigned.

##### IOWA

Richard W. Carlson, Yarmouth, Iowa. Office became Presidential July 1, 1945.

##### KANSAS

Alice M. Howe, Mount Hope, Kans., in place of W. R. Ives, transferred.

Alvin L. Sparks, Zurich, Kans. Office became Presidential July 1, 1944.



## KENTUCKY

James T. Linville, Fourmile, Ky. Office became Presidential July 1, 1944.  
H. Clay Darnall, Hardin, Ky., in place of D. B. Hughes, transferred.  
Earl D. Enlow, Hodgenville, Ky., in place of D. E. Creal, resigned.

## LOUISIANA

Pierre D. Lorio, Jr., Hahnville, La. Office became Presidential July 1, 1943.  
Oscar B. Buck, Mansfield, La., in place of J. G. Hewitt, deceased.  
Bernice L. Crespo, St. Rose, La., in place of D. C. Elfer, removed.

## MARYLAND

Elmer G. Armstrong, Olney, Md., in place of R. P. Soper, retired.

## MICHIGAN

Alma Hill, Covington, Mich. Office became Presidential July 1, 1945.  
A. Spalding Friedrich, Traverse City, Mich., in place of Jerome Wilhelm, removed.

## MISSISSIPPI

Alex Polk, Oak Vale, Miss., in place of Katie Boyd, deceased.

## MISSOURI

Edward J. Murphy, Jr., Strafford, Mo., in place of A. B. Grier, resigned.

## NORTH DAKOTA

Agnes Dettman, Judson, N. Dak. Office became Presidential July 1, 1945.

## OHIO

Lauris D. Glass, Alpha, Ohio. Office became Presidential July 1, 1945.

## OKLAHOMA

Robert G. Blackwell, Calvin, Okla., in place of O. E. Bailey, resigned.

## OREGON

Ada M. McFall, Camas Valley, Oreg., in place of R. L. Richter, resigned.  
Oliver C. Gardner, Nelscott, Oreg., in place of C. P. Nelson, retired.

## SOUTH DAKOTA

Floyd O. Clark, Bison, S. Dak., in place of J. T. Homme, resigned.

## TENNESSEE

Pearl I. McCamish, Calhoun, Tenn., in place of J. A. Henry, transferred.  
Edward B. Simmons, Westmoreland, Tenn., in place of R. D. Shoulders, transferred.

## TEXAS

Herbert R. Burton, Price, Tex. Office became Presidential July 1, 1942.

## UTAH

Harold M. Creer, Spanish Fork, Utah., in place of R. W. Creer, deceased.

## VIRGINIA

Samuel Washington West, Lynchburg, Va., in place of J. H. Cave, deceased.

## WEST VIRGINIA

Jennings C. Minnix, Haywood, W. Va., in place of I. N. Martin, resigned.  
Thelma B. Rogers, Yukon, W. Va., in place of M. R. Cook, resigned.

## WISCONSIN

Melvin B. Arnes, Barronett, Wis. Office became Presidential July 1, 1945.  
Hollis E. Hoskins, Grandmarsh, Wis. Office became Presidential July 1, 1944.  
Earl Roberts, Ogema, Wis., in place of G. V. Anderson, transferred.

## CONFIRMATIONS

Executive nominations confirmed by the Senate February 27 (legislative day of January 18), 1946:

## IN THE MARINE CORPS

Harry Schmidt to be a lieutenant general in the Marine Corps, for temporary service, from March 1, 1946.

## IN THE ARMY

## APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY OF THE UNITED STATES

## To Adjutant General's Department

Lt. Col. Eustace Maduro Peixotto  
Maj. Elvin Hamilton Burger  
Maj. George Henry McManus, Jr.

## To Quartermaster Corps

First Lt. Joseph Stephen Kujawski

## To Finance Department

Capt. George Lowe Eatman

## To Corps of Engineers

First Lt. Arthur Harold Lahlum

## To Ordnance Department

First Lt. Robert Sears Blodgett

## To Signal Corps

Maj. Lee Roy Williams  
Capt. Ewing Chase Johnson

## To Field Artillery

Second Lt. Hanford Nichols Lockwood, 3d

## To Infantry

First Lt. Herbert Mead Bowlby, Jr.

## To Air Corps

Maj. Oscar Carl Maier

## PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

## To be majors, Air Corps

Wilbur Erickson  
Lilburn Dimmitt Fator  
Archibald Meyer Kelley  
Ralph Orville Brownfield  
Joel Edward Mallory  
Warren Herbert Higgins, subject to examination required by law.  
Willard Reno Shepard, subject to examination required by law.  
George Washington Hansen  
Minton William Kaye  
Aubrey Lee Moore  
Ronald Roosevelt Walker  
Lloyd Harrison Tull  
Frederic Ernst Glantzberg, subject to examination required by law.  
Eugene Herbert Rice, subject to examination required by law.  
Leland Samuel Stranathan  
Ernest Keeling Warburton, subject to examination required by law.  
LeRoy Hudson  
Roland Ogden Strand Akre  
Paul Ellis Shanahan  
Roger Vincent Williams  
Frederick Archibald Pillet  
Reginald Heber, subject to examination required by law.  
Homer LeRoy Sanders  
Draper Frew Henry  
Walter Robertson Agee  
Hansford Wesley Pennington  
Guy Frost Hix  
Murray Clarke Woodbury  
Paul Bernard Wurtsmith, subject to examination required by law.  
William Alexander Robert Robertson

## MEDICAL CORPS

## To be colonel

James Rhea McDowell

## To be lieutenant colonel

James Ogilvie Gillespie, subject to examination required by law.

## To be majors

Fred William Seymour  
Lester Orville Crago  
Joseph Arthur Baird  
Allan Arthur Craig, subject to examination required by law.

## DENTAL CORPS

## To be major

John Castle Hampson

## CHAPLAIN

Paul Bertram Rupp to be chaplain, with rank of colonel, United States Army.

## HOUSE OF REPRESENTATIVES

WEDNESDAY, FEBRUARY 27, 1946

The House met at 12 o'clock noon.  
The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou who art the perfect revelation of the Father's glory, with praise and adoration we call upon Thy holy name. Breathe upon our thoughts and let Thy will be our fullest and deepest joy. Be pleased to overlook our imperfections and to accept the sincerity of our devotion, confident that our great Shepherd cannot lead us wrong. When our faith falters and we drift, when our vigilance ceases and we stumble, be Thou our guide and our refuge.

In our service to our fellow men, may we so abide in Thy love that nothing worth keeping will be swept away. Frown upon any group of our citizens that would clog the open road of unity and stifle the highway of comfort and prosperity, refusing to be restrained by the crying needs of the people. Help us to bring light where there is darkness, and understanding where there is prejudice. O keep us from that spiritual paralysis in which the soul no longer climbs toward God. O Christ, be in us the inspiration of duty, the influence and power that restrains temptation and fortifies courage. In Thy holy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3370. An act to provide assistance to the States in the establishment, maintenance, operation, and expansion of school-lunch programs, and for other purposes.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RUSSELL, Mr. ELLENDER, Mr. BANKHEAD, Mr. CAPPER, and Mr. AIKEN to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 1821. An act to amend section 502 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, so as to authorize the appropriation of funds necessary to provide additional temporary housing units for distressed families of servicemen and for veterans and their families; and  
S. Con. Res. 56. Concurrent resolution increasing the limit of expenditures for the investigation of the Pearl Harbor attack.

The message also announced that the Senate had adopted the following resolution (S. Res. 233):

Resolved, That the Senate has heard with profound sorrow the announcement of the

death of Hon. J. BUELL SNYDER, late a Representative from the State of Pennsylvania;

*Resolved*, That a committee of six Senators be appointed by the President pro tempore of the Senate to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

*Resolved*, That as a further mark of respect to the memory of the deceased the Senate do now take a recess until 12 o'clock meridian on tomorrow.

The message also announced that pursuant to the provisions of the above resolution the President pro tempore of the Senate had appointed Mr. GUFFEY, Mr. MYERS, Mr. KILGORE, Mr. AUSTIN, Mr. TUNNELL, and Mr. CARVILLE members of the committee on the part of the Senate.

#### DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1947

Mr. TARVER, from the Committee on Appropriations, reported the bill (H. R. 5605) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1947, and for other purposes (Rept. No. 1659), which was read a first and second time and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. DIRKSEN reserved all points of order on the bill.

#### COMMUNISTS AT THE COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

WILLIAM Z. FOSTER

Mr. RANKIN. Mr. Speaker, on yesterday I announced I would today answer the attacks of William Z. Foster, the head of the Communist Party, and others who are making violent attacks on the Committee on Un-American Activities. I have been requested to postpone that answer until the first of the week. I expect to take it up later. But this propaganda which is being put out, which I shall exhibit here, signed by William Z. Foster, follows the same Communist line as the other attacks made in the House. William Z. Foster made this statement and repeated it before our committee:

Mr. RANKIN. In 1930, when you appeared before the Fish committee, Mr. Bachman, I believe of West Virginia, was on the committee, and he asked you a question about statements that you had made before, and I am going to read it to you now and ask you if this is your view at the present time. He says: "You made this statement: 'No Communist, no matter how many votes he should secure in a national election, could, even if he would, become President of the present Government. When a Communist heads the Government of the United States—and that day will come just as surely as the sun rises—the Government will not be a capitalist government but a soviet govern-

ment, and behind this government will stand the Red Army to enforce the dictatorship of the proletariat.'"

You made that statement, did you?

Mr. FOSTER. I think so.

Mr. RANKIN. That was your view?

Mr. FOSTER. I made that statement; yes.

Mr. RANKIN. You made that statement. Now again—

That is the source of the opposition to and the attacks on the Committee on Un-American Activities.

The SPEAKER. The time of the gentleman from Mississippi has expired.

#### EXTENSION OF REMARKS

Mr. JONKMAN asked and was given permission to extend his remarks in the RECORD and include a letter and a newspaper editorial.

#### INVESTIGATION OF TRANSPORTATION SITUATION

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 318, Rept. No. 1660), which was referred to the House Calendar and ordered to be printed:

*Resolved*, That the Committee on Interstate and Foreign Commerce, or any duly authorized subcommittee thereof, be authorized and directed to investigate the transportation situation with a view to recommending legislation that will result in a consistent public policy fair to all competing agencies of transport, to the using and investing public, and to labor, to the end that the country's commerce may be moved with the greatest possible degree of economy, safety, and dispatch.

SEC. 2. The committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times, to require by subpoena, or otherwise, the attendance of such witnesses and the production of such books, papers, and documents, to administer oaths, to take such testimony, to procure such printing and binding, and to make such expenditures within the limits hereinafter fixed, as it deems advisable.

SEC. 3. (a) The committee shall have power to employ and fix the compensation of such assistants, experts, and employees, as it deems necessary in the performance of its duties under this resolution.

(b) The committee is authorized to utilize the services, information, facilities, and personnel of the departments and agencies of the Federal Government.

SEC. 4. The committee shall, from time to time, in its discretion, make such preliminary report or reports to the House of Representatives as it deems desirable; and shall, during the present Congress, report to the House the results of its investigation and study and submit its recommendations.

#### EXTENSION OF REMARKS

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD in four instances; one, to insert an advertisement by the Lumber Retail Dealers of Jacksonville, Fla., endorsing the Wyatt housing bill; two, a statement by John W. Snyder, Director of War Mobilization and Reconversion, before the Committee on Banking and Currency, today on the extension of the Price Control and Stabilization Act; three, an editorial from the New York Herald Tribune of yesterday, February 26, 1946, endorsing the housing program; four, a radio speech delivered by me last night over the Columbia Broadcasting System.

#### SCHOOL-LUNCH PROGRAM

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3370) to provide assistance to the States in the establishment, maintenance, operation, and expansion of school-lunch programs, and for other purposes; with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Virginia? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. FLANNAGAN, COOLEY, ZIMMERMAN, PACE, HOPE, KINZER, and AUGUST H. ANDRESEN.

#### COMMITTEE ON UN-AMERICAN ACTIVITIES

Mrs. DOUGLAS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from California?

There was no objection.

Mrs. DOUGLAS of California. Mr. Speaker, Congress has written a blank check—giving unlimited powers to a superfluous committee called the Un-American Activities Committee—which itself is coming to be known for acts which are thoroughly un-American.

Why—because no committee, no group of men in or out of government should be vested with such power as we have given this committee.

The root of the trouble is not one of personalities; rather it is a too sweeping delegation of power—a power so vast that it would take a committee of Holmeses and Brandises to use that power and still preserve the constitutional liberties guaranteed every American person.

Is it to be wondered that its employees feel free to run wild and in any direction? They are encouraged to do so by action of this House.

The blank check is being used to attack innocent people, to vilify them, frighten and intimidate them. And I tell you the righteous indignation of the American public is rising.

What is the result of this? Individuals and groups suffer—certainly.

But who suffers most?

Congress itself suffers most.

#### QUESTION OF PERSONAL PRIVILEGE

Mr. RANKIN. Mr. Speaker, a point of order. I rise to a question of personal privilege.

The SPEAKER. The gentleman will state the ground of the question of personal privilege.

Mr. RANKIN. The Member from California [Mrs. DOUGLAS], who has just left the floor, has repeated almost verbatim the attacks made on the Committee on Un-American Activities by William Z. Foster, head of the Communist Party, and by doing so has questioned the integrity of the members of that committee, and in that way violated the rules of the House.



The SPEAKER. What is the gentleman's question of personal privilege?

Mr. RANKIN. The question of personal privilege is this: That the Member who has just spoken attacked a committee of this House of which I am a member, and attacked the members of that committee, reflected on the integrity of the members of that committee by misrepresentations that are calculated to bring the members of that committee and the committee itself into disrepute.

The SPEAKER. The gentleman's remedy was to ask that the words be taken down at the time they were uttered. The Chair does not believe he can establish a precedent in the House of permitting Members to rise to a question of personal privilege because some Member has criticized the Member or a committee of this House. The Chair is compelled to hold that the gentleman does not state a question of personal privilege.

Mr. RANKIN. Mr. Speaker, with all deference, I appeal from the ruling of the Chair, and I ask to be heard on the appeal.

Mr. McCORMACK. Mr. Speaker, I move that the appeal be laid on the table.

Mr. RANKIN. The gentleman is too late.

Mr. HOFFMAN. Mr. Speaker, I raise the point of order that a quorum is not present.

The SPEAKER. The gentleman from Massachusetts [Mr. McCORMACK] was within his right in moving that the appeal be laid on the table.

Mr. HOFFMAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

Mr. RANKIN. I will take on the gentleman from Massachusetts on this issue whenever he wants.

Mr. McCORMACK. And I will answer the gentleman from Mississippi any time.

The SPEAKER. The gentlemen will both take their seats. Both gentlemen are out of order.

Mr. SABATH. Mr. Speaker, I ask that the words of the gentleman from Mississippi be taken down.

The SPEAKER. A call of the House has been ordered.

The Clerk will call the roll.

#### CALL OF THE HOUSE

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 34]

Arends	Courtney	Hobbs
Baldwin, Md.	Curley	Holmes, Mass.
Baldwin, N. Y.	Daughton, Va.	Hook
Beall	Dawson	Hope
Bloom	Doughton, N. C.	Jarman
Boykin	Eberharter	Judd
Byrne, N. Y.	Engel, Mich.	Keefe
Cannon, Fla.	Feighan	Kelley, Pa.
Case, S. Dak.	Fernandez	Kelly, Ill.
Chapman	Fisher	Kerr
Chenoweth	Gathings	Kirwan
Chilperfield	Gifford	Landis
Cole, Kans.	Gwinn, N. Y.	McConnell
Colmer	Harless, Ariz.	McGlinchey

McGregor	Reed, N. Y.	Sumners, Tex.
Mahon	Rivers	Taylor
Murphy	Robertson,	Tibbott
Murray, Tenn.	N. Dak.	Vinson
Norrell	Robinson, Utah	Walter
Peterson, Ga.	Sasser	Wastelowski
Quinn, N. Y.	Schwabe, Mo.	Weaver
Rains	Simpson, Pa.	Winter
Randolph	Slaughter	Wood

The SPEAKER. On this roll call, 360 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

#### UN-AMERICAN ACTIVITIES

Mr. RANKIN. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. Mr. Speaker, I am going to make a point of order. Therefore I ask unanimous consent to withdraw my appeal from the ruling of the Chair in order that I may proceed with the point of order.

Mr. MARCANTONIO. We have not heard the request, Mr. Speaker.

Mr. COCHRAN. Mr. Speaker, I demand the regular order.

The SPEAKER. The gentleman from Mississippi asks unanimous consent to withdraw his appeal from the ruling of the Chair.

Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I rise to a point of order.

The SPEAKER. The gentleman will state the point of order.

Mr. RANKIN. On February 19 the gentleman from Illinois [Mr. SABATH] extended his remarks in the RECORD in which he reflected on the Committee on Un-American Activities, and I will proceed to read his statement.

The Committee on Un-American Activities, Mr. Speaker, is a committee of this House.

Mr. SABATH. Mr. Speaker, a point of order.

The SPEAKER. The gentleman from Mississippi is stating a point of order.

Mr. SABATH. I have risen for the purpose of raising a point of order because, if the gentleman is going to quote from my letter which I placed in the CONGRESSIONAL RECORD, I urge that the entire letter be read.

Mr. RANKIN. I am not trying to pander to the wants of the Member from Illinois.

The SPEAKER. The gentleman will proceed.

Mr. RANKIN. This committee of Congress that is struggling to try to protect this Government, to save this Republic and our American way of life, that is being attacked by the enemies of this Nation, the Communist Party, as I showed a while ago, and being maligned and slandered on this floor, still has some rights, Mr. Speaker, that the American people recognize.

In the first place the gentleman from Illinois [Mr. SABATH] wrote his own headline, and on that headline he used these

words: "The House Un-American Committee."

That is the Communist line, Mr. Speaker, that is being followed by these enemies of our country, in their attacks on the Committee on Un-American Activities.

Mr. SABATH. Mr. Speaker, a point of order. I ask that the gentleman's words be taken down, Mr. Speaker.

The SPEAKER. The gentleman from Illinois asks that the words of the gentleman from Mississippi be taken down.

Mr. RANKIN. All right.

The SPEAKER (after a pause). The Chair has some words before him.

Mr. RANKIN. May we have them read?

The SPEAKER. They do not mean a great deal if they are not taken in connection with something else and the "else" is not in the statement that the Chair has before him. The Chair has before him this:

Mr. RANKIN. That is the Communist line, Mr. Speaker, that is being followed by these enemies of our country in their attacks on the Committee on Un-American Activities.

Mr. SABATH. He has reference to me.

The SPEAKER. Did the gentleman from Mississippi have reference to the gentleman from Illinois [Mr. SABATH]?

Mr. RANKIN. I was trying to tell the House that he is using the line "the un-American committee" that is used in the Communist Daily Worker and every other Communist publication and used by every individual Communist who attacks us throughout the country.

Let the chips fall where they may.

The SPEAKER. Was the gentleman from Mississippi referring to the gentleman from Illinois?

Mr. RANKIN. Now, Mr. Speaker, my words are plain.

The SPEAKER. But the Chair has the right to interrogate the gentleman from Mississippi.

Mr. RANKIN. I repeat what I said: This is the Communist line being used by Communist publications and Communists throughout the country to attack the committee.

Mr. SABATH. Again I ask that the words be taken down.

The SPEAKER. The Chair asks the gentleman—

Mr. RANKIN. Why, certainly not. I was merely calling attention to what was inserted in the RECORD in violation of the rules of the House.

The SPEAKER. The gentleman from Mississippi denies he was referring to the gentleman from Illinois, and the Chair therefore holds that the words complained of were not unparliamentary.

Mrs. DOUGLAS of California. Mr. Speaker, a point of order. I would like to know if the gentleman from Mississippi was referring to me in those words?

The SPEAKER. The gentleman from Mississippi can reply to that.

The Chair was under the impression he was talking about remarks that had been formerly made by the gentleman from Illinois.

Mr. RANKIN. I cannot cover the whole field. I answered her attack on the committee a while ago. I will refer to a statement which was inserted in a 1-minute speech a little while ago which, in my opinion, violates the rules of the House.

The SPEAKER. That is not in controversy right now. The gentleman can certainly answer "Yes" or "No" as to whether he was referring to the gentleman from California.

Mr. RANKIN. Mr. Speaker, it comes with poor grace from Members of the House to come on this floor and put such stuff as this into the Record and then when we get on the Communist Party they get up and want to know if we are referring to them.

Mr. SABATH. You are making more Communists every day than anybody else.

The SPEAKER. Just a moment. Will the gentleman from Mississippi answer the question propounded by the gentleman from California?

Mr. RANKIN. Mr. Speaker, I was not referring—

Mr. THOMAS of New Jersey. Mr. Speaker, a point of order.

The SPEAKER. The Chair has the floor right now. The Chair is trying his best to straighten this out if possible.

The gentleman from Mississippi was asked to answer a question.

Mr. RANKIN. I was referring only to those Communists, those enemies of our country, who are trying to undermine and destroy our form of government, destroy our way of life, destroy our Christian civilization; and I was not referring to any individual in this House.

The SPEAKER. The Chair thinks that is an answer to the question.

Mr. RANKIN. Mr. Speaker, if Members of this House want to get in on it, I cannot help that.

The SPEAKER. The gentleman from Mississippi will state his point of order.

Mr. RANKIN. Mr. Speaker, I am trying to do that, and I am trying to do it in as plain terms as I know how.

As I pointed out in the beginning, the Member from Illinois, Mr. ADOLPH SABATH, on Tuesday, February 19, 1946, inserted in the CONGRESSIONAL RECORD an attack on the Committee on Un-American Activities, a committee set up by the House to investigate those organizations and individuals who are attempting to undermine and destroy this Government. In doing so he used these words, and there is a heading: "The House Un-American Committee."

That is the same line that is being used in the Communist publications throughout the country, that is the same line that is being used by William Z. Foster, the head of the Communist Party.

Mr. GALLAGHER. Mr. Speaker, will the gentleman yield for a question?

Mr. RANKIN. No; not now.

Mr. GALLAGHER. I thought not.

The SPEAKER. The gentleman declines to yield. The Chair trusts the gentleman will state his point of order pretty soon.

Mr. RANKIN. Mr. Speaker, that is one of them.

The SPEAKER. What point of order has the gentleman stated?

Mr. RANKIN. Mr. Speaker, I am referring to the point of order that this entire statement violates the rules of the House, and if my point of order is sustained I am going to move to strike it from the Record. But I want to call the attention of the Chair to some other statements that are contained in this extension of remarks.

To show that this was no accident, the Member from Illinois [Mr. SABATH] makes this statement down in his extension of remarks which, of course, he did not quote on the floor of the House. He says:

That is why, Mr. Speaker, I have been shocked by the revelations made in recent weeks regarding the procedures of the Un-American Committee and the attitudes of its staff.

That is twice that that Communist line has been used. It is being used in every Communist publication, by every Communist speaker, to malign and smear the Committee on Un-American Activities. It is being used every day by this same man, William Z. Foster, who uttered the following statement:

No Communist, no matter how many votes he should secure in a national election, could ever, if he would, become President of the present Government.

That means the Government of the United States.

When a Communist heads the Government of the United States—

He says—

and that day will come just as surely as the sun rises, the Government will not be a capitalistic government but a soviet government, and behind that government will stand the Red Army to enforce the dictatorship of the proletariat.

Mr. Speaker, what more dangerous doctrine can anyone imagine?

Mr. SABATH. Mr. Speaker, a point of order.

The SPEAKER. What is the gentleman's point of order?

Mr. SABATH. Mr. Speaker, the gentleman is not reading from my letter on the point of order on which he has obtained the floor and on which he has asked and requested the floor. He is reading something by a man by the name of William Z. Foster, whom I never knew, whom I do not know today. I do not read his articles and I do not read the paper. I do not want to be connected with Foster or any other Communist that he is connected with.

The SPEAKER. The Chair thinks the remedy of the gentleman from Mississippi is not in a point of order. This is an extension of remarks and whether or not it violated the privileges granted the gentleman from Illinois [Mr. SABATH] would be a question for the House to pass on, not the Chair.

Mr. RANKIN. Then, Mr. Speaker, I move to strike it from the Record and on that I ask recognition.

Mr. MARCANTONIO. A point of order, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. MARCANTONIO. Must not that motion be in writing, Mr. Speaker?

The SPEAKER. If any Member demands it, the motion must be put in writing under the rules of the House.

Mr. RANKIN. Then, Mr. Speaker, I will write it out. It will take but a minute.

Mr. MARCANTONIO. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. MARCANTONIO. I ask for the regular order now.

Mr. RANKIN. Mr. Speaker, I would like to be heard further.

Mr. BIEMILLER. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. BIEMILLER. Is the gentleman from Mississippi recognized to make a motion or to make a point of order?

The SPEAKER. The gentleman is in the process of making a motion.

Mr. McCORMACK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. McCORMACK. For the benefit of the House, may I inquire what the rules of the House provide concerning one Member's referring to another Member? In what way should one Member refer to another Member?

The SPEAKER. He should refer to the gentleman from a certain State or the gentleman from a certain State.

Mr. MUNDT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MUNDT. In line with the parliamentary inquiry propounded by the majority leader, in speaking of the rules of the House, when one Member refers to a committee of the House, is it considered appropriate language to misname the committee?

The SPEAKER. The Chair will decide that question when it is before him.

The Clerk will report the motion offered by the gentleman from Mississippi.

The Clerk read as follows:

Mr. RANKIN moves to strike Mr. SABATH's remarks on page A922 from the Record.

The SPEAKER. The question is on the motion.

Mr. RANKIN. Mr. Speaker, I ask for recognition.

Mr. MARCANTONIO. Mr. Speaker, I move to lay that motion on the table.

Mr. RANKIN. Mr. Speaker, I ask for recognition.

Mr. COCHRAN. A motion to lay on the table is not debatable.

The SPEAKER. The question is on the motion offered by the gentleman from New York to table the motion offered by the gentleman from Mississippi.

The question was taken; and on a division (demanded by Mr. MARCANTONIO) there were—ayes 79, noes 154.

Mr. CELLER. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

Mr. COFFEE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. COFFEE. Is it not in order to have the letter to which objection has



been raised read in full, or is it parliamentary to have a vote taken on the extirpation of a letter from the RECORD without even having it read?

The SPEAKER. The yeas and nays have been ordered on the motion to lay the motion to expunge on the table, and nothing else is in order at this time.

The question is on the motion offered by the gentleman from New York [Mr. MARCANTONIO].

The question was taken; and there were—yeas 103, nays 249, not voting 78, as follows:

[Roll No. 35]

YEAS—103

Bailey	Granger	Norton
Barrett, Pa.	Green	O'Brien, Ill.
Bennet, N. Y.	Harless, Ariz.	O'Brien, Mich.
Biemiller	Hart	O'Toole
Bradley, Pa.	Havener	Outland
Buckley	Healy	Patman
Bunker	Hedrick	Patrick
Burgin	Heffernan	Patterson
Byrne, N. Y.	Hoch	Pfeiffer
Celler	Hollifield	Powell
Clark	Huber	Price, Ill.
Cochran	Izac	Quinn, N. Y.
Coffee	Jackson	Rabin
Crosser	Johnson	Rayfield
D'Alesandro	Lyndon B.	Resa
Dawson	Kee	Rogers, N. Y.
De Lacy	Kefauver	Rooney
Delaney	Kelly, Ill.	Rcwan
John J.	Keogh	Ryder
Dingell	King	Sabath
Douglas, Calif.	Kirwan	Sadowski
Douglas, Ill.	Kopplemann	Savage
Doyle	Lane	Sheppard
Engle, Calif.	Lesinski	Sheridan
Fallon	Link	Somers, N. Y.
Feighan	Ludlow	Spence
Flood	Lynch	Starkey
Fogarty	McCormack	Sullivan
Folger	Madden	Thom
Forand	Mankin	Thomas, Tex.
Gallagher	Mansfield	Toian
Gardner	Mont	Torrens
Geelan	Marcantonio	Traynor
Gordon	Miller, Calif.	Voorhis, Calif.
Gorski	Nee'y	Woodhouse
Granahan		

NAYS—249

Abernethy	Che'f	Gossett
Adams	Church	Graham
Allen, Ill.	Clason	Grant, Ala.
Allen, La.	Clements	Grant, Ind.
A'mond	Clevenger	Gregory
Andersen	Clippinger	Griffiths
H. Carl	Cole, Mo.	Gross
Anderson, Calif.	Cole, N. Y.	Gwynne, Iowa
Andresen	Culmer	Hagen
August H.	Cooley	Hale
Andrews, Ala.	Cooper	Hall
Andrews, N. Y.	Corbett	Edwin Arthur
Angell	Cox	Hall
Arnold	Crawford	Leonard W.
Auchincloss	Cunningham	Hancock
Barden	Curtis	Hand
Barrett, Wyo.	Davis	Hare
Barry	Delaney	Harness, Ind.
Bates, Ky.	James J.	Harris
Bates, Mass.	D'Ewart	Hartley
Beckworth	Dolliver	Hays
Bell	Domengeaux	Hébert
Bender	Dondero	Hendricks
Bennett, Mo.	Drewry	Henry
Bishop	Durham	Hertter
Blackney	Dworshak	Heselton
Bland	Earlman	Hess
Bolton	Eaton	Hill
Bonner	Elliot	Hinshaw
Boren	Ellis	Hobbs
Bradley, Mich.	Ellsworth	Hoeben
Brehm	Elsasser	Hoffman
Brooks	E'lston	Holmes, Wash.
Brown, Ga.	Ervin	Horan
Brown, Ohio	Fellows	Howell
Brumbaugh	Fenton	Hull
Bryson	Fuller	Jenkins
Buck	Fulton	Jennings
Buffett	Gamble	Jensen
Bulwinkle	Gathings	Johnson, Calif.
Butler	Gavin	Johnson, Ill.
Byrnes, Wis.	Gearhart	Johnson, Ind.
Camp	Ger'ach	Johnson
Campbell	Gibson	Luther A.
Canfield	Gillespie	Johnson, Okla.
Carlson	Gillie	Jones
Carnahan	Goodwin	Jonkman
Case, N. J.	Gore	Keam

Kearney	O'Hara	Smith, Ohio
Kilburn	O'Konski	Smith, Wis.
Kilday	O'Neal	Sparkman
Kinzer	Pace	Springer
Knutson	Philbin	Stefan
Kunkel	Phillips	Stevenson
LaFollette	Pickett	Stewart
Lanham	Pittenger	Stigler
Larcade	Ploesser	Stockman
Latham	Plumley	Sumner, Ill.
Lea	Price, Fla.	Sundstrom
LeCompte	Priest	Taber
LeFevre	Ramey	Talbot
Lewis	Rankin	Talle
Luce	Reece, Tenn.	Tarver
Lyle	Reed, Ill.	Thomas, N. J.
McCowan	Rees, Kans.	Thomason
McDonough	Rich	Towe
McGehee	Richards	Trimble
McKenzie	Riley	Vorys, Ohio
McMillan, S. C.	Robertson, Va.	Vursell
McMillen, Ill.	Robison, Ky.	Wadsworth
Maloney	Rockwell	Weaver
Manasco	Rodgers, Pa.	Weichel
Martin, Iowa	Roe, Md.	West
Martin, Mass.	Roe, N. Y.	Whitten
Mason	Rogers, Fla.	Whittington
Mathews	Rogers, Mass.	Wickersham
May	Russell	Wiglesworth
Merrow	Schwabe, Okla.	Wilson
Michener	Schryver	Winstead
Miller, Nebr.	Shafer	Wolcott
Mills	Sharp	Wolfenden, Pa.
Monroney	Short	Wolverton, N. J.
Mundt	Sikes	Woodruff
Murray, Wis.	Simpson, Ill.	Worley
Norb'lad	Smith, Maine	Zimmerman

NOT VOTING—78

Arends	Gifford	Foage
Baldwin, Md.	Gillette	Rabaut
Baldwin, N. Y.	Gwinn, N. Y.	Rains
Beall	Halleck	Randolph
Bloom	Holmes, Mass.	Reed, N. Y.
Boykin	Hook	Rivers
Burch	Hope	Rizley
Cannon, Fla.	Jarman	Robertson
Cannon, Mo.	Judd	N. Dak.
Case, S. Dak.	Keefe	Robinson, Utah
Chapman	Kelley, Pa.	Sasscer
Chenoweth	Kerr	Schwabe, Mo.
Chiperfield	Landis	Simpson, Pa.
Cole, Kans.	Lemke	Slaughter
Combs	McConnell	Smith, Va.
Courtney	McGlinchey	Summers, Tex.
Cravens	McGregor	Taylor
Curley	Mahon	Tibbott
Daughton, Va.	Mansfield, Tex.	Vinson
Dirksen	Morgan	Walter
Doughton, N. C.	Morrison	Wasielewski
Eberharter	Murdock	Welch
Engel, Mich.	Murphy	White
Fernandez	Murray, Tenn.	Winter
Fisher	Norrell	Wood
Flannagan	Peterson, Fla.	
Gary	Peterson, Ga.	

So the motion to lay on the table was rejected.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Jarman with Mr. Schwabe of Missouri.  
 Mr. Randolph with Mr. Arends.  
 Mr. Courtney with Mr. Beall.  
 Mr. Kelley of Pennsylvania with Mr. Holmes of Massachusetts.  
 Mr. McGlinchey with Mr. Baldwin of New York.  
 Mr. Peterson of Georgia with Mr. Judd.  
 Mr. Vinson with Mr. Keefe.  
 Mr. Rooney with Mr. Gillette.  
 Mr. Baldwin of Maryland with Mr. Halleck.  
 Mr. Mansfield of Texas with Mr. Dirksen.  
 Mr. Rivers with Mr. Chiperfield.  
 Mr. Kerr with Mr. McGregor.  
 Mr. Doughton of North Carolina with Mr. Reed of New York.

Mr. Mahon with Mr. Simpson of Pennsylvania.

Mr. Bloom with Mr. Rizley.  
 Mr. Slaughter with Mr. Taylor.  
 Mr. Burch with Mr. Hope.  
 Mr. Hook with Mr. Tibbott.  
 Mr. Wasielewski with Mr. Gifford.  
 Mr. Cravens with Mr. Chenoweth.

Mr. HAND changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The gentleman from Mississippi is recognized on his motion.

Mr. RANKIN. Mr. Speaker, I pointed out in my remarks a few moments ago that this insertion in the CONGRESSIONAL RECORD violates the rules of the House. It attacks a committee of this House as being un-American, or refers to it as an un-American committee. This committee was created by Congress because of the dangerous situation that prevails throughout the country. We are working diligently to try to protect this Nation against subversive elements at home and abroad. Yet here comes this statement together with a letter, accusing us—now listen to this—in addition to referring to the committee as an un-American committee twice:

Too, I think the whole House has a duty and a right to know what is going on in this committee, which we have clothed with certain powers to investigate actual un-American activities, and not to indulge in witch hunts.

If you will get the Communist Daily Worker you will find those words "witch hunt" written on almost every page almost every day, and if you will look on your desk you will find an attack by William Z. Foster, the head of the Communist Party, branding this committee as a witch hunt—it calls it "The Rankin witch hunt"—and demanding its abolition.

Mr. Speaker, whom do we represent here? Are we supposed to represent the Communists who are seeking to destroy the Constitution of the United States?

Are we supposed to represent the Communists who are seeking to destroy our American way of life? The Communists who would close every church in America, whether Catholic or Protestant? Are we supposed to represent them? Are we to submit to being branded as "witch hunters" because we are trying to protect this Government, this American way of life, and our American institutions for which these boys have been dying?

I want to say in this connection that I have no quarrel with any man about his religion. Any man who believes in the fundamental principles of Christianity and lives up to them, whether he is Catholic or Protestant, certainly deserves the respect and confidence of mankind.

I refuse to join in these attempts to try to destroy our civilization which is based on the fundamental teachings of Jesus Christ.

Now, let us see a little further. Mr. SABATH goes on to say:

I wish the gentleman from Georgia—

Referring to the chairman of the committee, Mr. Wood—

would tell us how many Members have been investigated, if any, and who they are, if he knows.

I will answer that question right now. The Committee on Un-American Activities has never investigated a Member of Congress, and when we do that Member will certainly be notified first.

In addition to this statement, the Member from Illinois [Mr. SABATH] wrote a letter to the gentleman from Georgia [Mr. Wood] which, in my opinion, violated the rules of the House in a dozen places. He not only inserted that letter in the RECORD but he wrote a

letter to every Member of the House, I suppose, and inclosed a copy of an editorial from a local paper that has been fighting the Committee on Un-American Activities ever since its creation.

Let us see what is said in that letter. He refers to the sworn affidavit of Prof. Clyde Miller, of Teachers College, Columbia University, who reports an alleged conversation.

Mr. SABATH. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. SABATH. Is the gentleman reading from my insertion in the RECORD or from my letter to the chairman of that committee?

Mr. RANKIN. I have said that I am reading from the RECORD and from the letter which he inserted in the CONGRESSIONAL RECORD at page A922 on February 19, which was addressed to the Honorable JOHN S. WOOD, chairman of the Committee on Un-American Activities.

Mr. SABATH. That is what I want to know.

Mr. RANKIN. He goes on to attack the committee because of an alleged statement this Professor Miller says Commander Nikolas made when he was with the committee, which was as follows:

You should tell your Jewish friends that the Jews in Germany stuck their necks out too far and Hitler took care of them and that the same thing will happen here unless they watch their steps.

Let me say just a word about Commander Nikolas. This man Miller came down here to try to get his name erased from the records of the Dies Committee. He says that that statement was made in the presence of Mr. Adamson, counsel for the committee. Mr. Adamson says no such conversation ever took place in his presence.

Let us see who Commander Nikolas is. He is no longer with the committee and has not been for, oh, 4 or 5 months. Commander Nikolas was a commander in the Navy in this war. He went through the hell and horrors of the Southwest Pacific. He told me with tears in his eyes that he had buried 1,700 of his buddies on the bleak and barren island of Peleliu. The men who attack Commander Nikolas are putting words in his mouth, when he has a Communist record of his own, and worse than a Communist record.

I say that in justice to Commander Nikolas, one of the heroes of this war and one of the finest Americans I ever met. In my opinion, this expression is nothing in God's world but the propaganda statement of this alleged Professor Miller, whose record with the Dies Committee reeks to high heaven.

Mr. SABATH goes on in this letter to Mr. WOOD and says:

that you may unsuspectingly harbor subversive individuals on your committee rolls.

He is referring to Commander Nikolas. I want to say that when the battle was hard, when the night was dark, when the storm was fierce and the stars were dead, when men were dying by the thousands, Commander Nikolas was there fighting through those terrific battles.

I resent this insinuation. I think it is nothing but a trumped-up statement by this fellow Miller in order to try to smear the Committee on Un-American Activities. The gentleman from Illinois [Mr. SABATH] further says:

It is significant that the committee gave to Gerald L. K. Smith an open forum to vent that seditionist's Fascist bill before members of the press.

What a ridiculous statement. Members of this House, and one of them who is sitting before me now, wrote us letters and wanted us to investigate Gerald L. K. Smith. We knew nothing about his record, but we summoned him to appear before the committee and invited these Members of Congress who had been demanding that he be investigated to come before the committee and make their statements or cross-examine him. Instead of coming and making their statements and cross-examining him, they came and filed a statement reflecting on the committee and then walked out.

Were they afraid to submit to cross-examination?

I want to say to you now that this committee is not going to be bluffed and browbeaten. Whenever we invite one of you before the committee, or when you come there of your own free will, to testify in these investigations, you are going to be cross-examined.

In this letter the gentleman from Illinois [Mr. SABATH] attacks us for bringing some men before us in a closed session. Yes, we have executive sessions. We are having closed sessions at times because we are trying to find out who is undermining and destroying this Government, or attempting to do so. But the Smith hearing was public.

But the gentleman from Illinois [Mr. SABATH] says that—

while he finds time, curiously enough, to bring before the committee in closed executive session Dr. Edward Barsky, an eminent surgeon, because Dr. Barsky is chairman of the Joint Anti-Fascist Refugee Committee—

Now, we called him before the committee because we have information that this is a Communist-front organization. When we demanded of Gerald L. K. Smith that he show his books, he said, "Any investigator of your committee or any member of your committee can take our books and go through every paper of them at any time."

If the organization that Barsky is head of is not engaged in subversive activities, why do they object to investigators of this committee, which has a standing equal to that of the FBI—why do they object to them seeing their books?

In my opinion, this is a dangerous Communist-front organization.

Now, I am not going to give you all the information we have. We have a good deal of it.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New Jersey.

Mr. THOMAS of New Jersey. Mr. Speaker, I have been on this committee from its very inception. I was on the Dies committee from the beginning to end. I never saw a time when either

one of those two committees were not attacked by the radicals, by the Communists, or the bund members, or other un-Americans whom we were investigating. But I am convinced of this one thing: That whenever we were attacked we had struck pay dirt. Now we have struck pay dirt on this Barsky matter. Barsky is doing everything he possibly can to intimidate our committee and to influence the Members of Congress against it. I do not think either the Dies committee or this Committee on Un-American Activities has ever investigated an organization or an individual that has needed to be investigated more than this Joint Anti-Fascist Refugee Committee. They are the ones that have been trying to bring in Communists to this country. We have testimony before our committee within the last few days that every person, every refugee, that this Joint Anti-Fascist Committee has tried to bring into the United States had a Communist record, a Communist record over in Hungary or France or Spain or somewhere else. Yet they have had contributed to the organization hundreds of thousands of dollars from persons who did not know just what the Joint Anti-Fascist Refugee Committee was trying to do. They will not tell us what they did with these vast sums of money they have collected, nor will they show us a single paper in their files. But they are doing this: They are getting in touch with Members of Congress, telling them that this is an un-American committee. They have used those words. Others have used them, and probably the leading Communist-front organization today is this Joint Anti-Fascist Refugee Committee. And I want to tell you this: We are going right to the bottom of it. I think every member of our committee, both on the Democratic side and on the Republican side, is resolved to look into the Joint Anti-Fascist Refugee Committee, and the leaders of it, thoroughly. You can count on it that when we make our report to this Congress it will astound you all.

Mr. RANKIN. I thank the gentleman from New Jersey.

Now, let me read another thing in this letter of Mr. SABATH's to the chairman of this committee. He says:

Radio commentators, requested by Adamson to submit their scripts to him, discovered the request had been made a public document. The action could have been designed only to smear the commentators and to frighten them from the air.

We did just what every Member of Congress has a right to do. We asked for those scripts after they had been broadcast. There were some things in some of them that we questioned. Some of them we did not. We simply asked for those scripts. We did not subpoena a single one of them. But I want to tell you now, some of this stuff that is going over the air should be stopped. Of all the dirt and filth I ever heard, these filthy attacks on me and the Committee on Un-American Activities by Walter Winchell and others are the worst.

Walter Winchell is doing the Jews of America more harm than any other man alive. He is stirring up more anti-



Semitism than any other man in America.

These men who attack us are not doing their cause any good whatsoever.

Now, I read further. This is Mr. SABATH writing to Mr. JOHN WOOD:

In the light of his acceptance of the venomous statements of an underling, I wonder if his demand that the National Committee to Combat Anti-Semitism submit to his inquisition does not reflect the same bitter bias against American citizens who are Jews by religion.

Now, as a matter of fact, there is a division among the Jewish people. The Zionists and the anti-Zionists. I am not going to go into that battle today. But whenever we find an organization that we think is un-American, and engaging in un-American activities, we are going to investigate it to the limit. That is what we are doing here.

You see these Reds in California have got out this brochure: "Introducing Representative JOHN ELLIOT RANKIN." This book is as full of smear and lies as it can hold. They are afraid we are going to uncover some of the perfidy that is going on with reference to the pollution of the picture shows in Hollywood.

Mr. BRADLEY of Michigan. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. BRADLEY of Michigan. Is it not a fact that every radio commentator is required to submit his script to the radio station for filing with the Federal Communications Commission? I know I have to do that in my weekly broadcasts.

Mr. RANKIN. Yes.

Mr. BRADLEY of Michigan. So what is wrong with asking for a radio script to look it over by your committee or any other committee?

Mr. RANKIN. When I write to Lowell Thomas or call Earl Godwin and ask for a copy of the script he delivered, he sends it by return mail. Nobody except the ones who have a suspicious attitude object to their scripts being read after they have been broadcast over the radio.

The gentleman from Illinois [Mr. SABATH] defended Walter Winchell and called him a commander in the Reserves. Last year when the Dies committee demanded that he get out of uniform or get into the service, he stripped off his uniform, went before the microphone and denounced Congress as "the House of Reprehensibles."

Yes. We are going to get the scripts whenever they deliver anything over the air that is detrimental to the welfare of this country; we are going to try to get them and to handle them in the proper way.

This main fight is coming, as I said—

Mr. SABATH. Will the gentleman yield?

Mr. RANKIN. No.

Mr. SABATH. For a simple question?

Mr. RANKIN. No.

Mr. SABATH. And information?

Mr. RANKIN. No, sir; not just now.

Mr. SABATH. I would like to have the House be made familiar with my letter. That is all I ask.

The SPEAKER. The gentleman from Mississippi declines to yield.

Mr. RANKIN. Mr. Speaker, today we are in graver danger at home than we have been perhaps in all the history of this Nation as a result of the subversive elements. There are subversive spies throughout this entire country just as there are in Canada. They are plotting the overthrow of this Government and they are using the Communist Party and the Communist publications to carry out their designs.

We brought this William Z. Foster, head of the Communist Party, before the committee, and I want to read you some things he said.

We read from a booklet he wrote years ago on syndicalism.

Mr. SABATH. Mr. Speaker, the gentleman has no right to read from—

Mr. RANKIN. I want to show that in investigating these things our committee had demanded of William Z. Foster, head of the Communist Party—

Mr. SABATH. A point of order.

The SPEAKER. The gentleman will state it.

Mr. SABATH. He is trying—the gentleman from Mississippi is trying—to connect me with Foster and read into my speech a statement by Foster. Well, I said before, I do not know Foster, never spoke to him in my life.

Mr. RANKIN. I want to show, Mr. Speaker—

Mr. SABATH. And he has no right to read into my speech any statements made by Foster or anyone else.

The SPEAKER. The gentleman will proceed in order.

Mr. RANKIN. We put Foster on the stand, and we read from a pamphlet that he wrote years ago when he was 33 years old, and I want to show that this is right down the Communist line, and I am afraid it is misleading some Members. And do not forget this is going to be an issue in every congressional district in the United States this year, in the primaries, and in the general elections.

Those boys who have been shedding their blood on foreign fields to protect this country are not going to have their country destroyed by these subversive elements at home if they can help it.

Listen to this. He says:

The syndicalist is characterized by the harmony that exists between his theories and his tactics.

Mr. MARCANTONIO. Mr. Speaker, a point of order.

Mr. RANKIN. And the capitalist class is a mortal enemy—

The SPEAKER. The gentleman from New York will state his point of order.

Mr. MARCANTONIO. The gentleman from Mississippi is reading from a document and pamphlet. It is out of order and cannot be done except by obtaining the consent of the House.

Mr. RANKIN. Mr. Speaker, if the House does not want me to read from the Communistic syndicalistic doctrines of William Z. Foster—

Mr. MARCANTONIO. I ask for a ruling.

Mr. RANKIN. Of course, I do not want to punish the House, if it does not want to hear me. I am trying to point out to you the dangers that are now lurking and the attempts that are being made to destroy this Government, and what these men and women are flirting with when they follow the Communist line.

Mr. MARCANTONIO. I ask for a ruling.

The SPEAKER. The gentleman from Mississippi will suspend.

Mr. MARCANTONIO. Mr. Speaker, I ask for a ruling.

The SPEAKER. On what?

Mr. MARCANTONIO. I was asking for a ruling on my point of order.

The SPEAKER. If the gentleman from Mississippi is reading from something that the House does not want to hear, it is entirely within the power of the House to decide the question, not the gentleman from New York.

Mr. MARCANTONIO. Does he not have to have consent to read a document?

The SPEAKER. The gentleman from Mississippi is speaking to his motion, and that gives him a rather wide latitude. If the gentleman is reading something the House does not want to hear, then the House has its remedy.

Mr. SABATH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SABATH. Mr. Speaker, is it not the duty of the Speaker to pass on the point of order or to pass on whether the gentleman is speaking in order or not? I think it is up to the Speaker. The gentleman here has been reading from Foster or Thomas, or whatever the man's name is, something he has written or said some years ago, today or yesterday, trying to make the House believe that I have had something to do with the articles that Foster has written.

The SPEAKER. The Chair did not have the specific rule before him when he answered the inquiry of the gentleman from New York [Mr. MARCANTONIO].

Rule XXX states:

When the reading of a paper other than one upon which the House is called to give a final vote is demanded, and the same is objected to by any Member, it shall be determined without debate by a vote of the House.

Mr. MARCANTONIO. Mr. Speaker, that bears out my contention and I definitely object.

The SPEAKER. Does the gentleman object?

Mr. MARCANTONIO. I do, Mr. Speaker. I object to the dragging of an irrelevant red herring into this discussion.

The SPEAKER. The question is: Shall the gentleman be permitted to proceed to read the paper from which he is now reading?

The question was taken; and the House decided that Mr. RANKIN be permitted to proceed with the reading.

The SPEAKER. The gentleman from Mississippi will proceed in order.

Mr. RANKIN. Mr. Speaker, Mr. Foster goes on to say, and I wish the Members would listen to this:

The syndicalist realizes that the capitalist class—

That means everybody who wants to own his own home, his store, or his filling station, or his farm, or factory—

He realizes that the capitalist class is his mortal enemy, that it must be overthrown, the wages system abolished, and a new society he has outlined established if he is to live; and he is proceeding to the accomplishment of these tasks with unparalleled directness. He allows nothing to swerve him from his course and lead him in another indirectness.

That is William Z. Foster speaking at the age of 33. There will be no wages paid. If the Communist Party gets control every laborer in America will be the slave of the commissar.

He goes on:

The syndicalist knows that capitalism is organized robbery, and he consistently considers and treats capitalists as thieves plying their trade.

The man who wrote that is the man who coined that expression, "Un-American Committee" and applied it to the Committee on Un-American Activities. He goes on to say:

The syndicalist knows they (the capitalists) have no more right to the wealth they have amassed than a burglar has to his loot, and the idea of expropriating them without remuneration seems as natural to him as for the footpads' victim to take back his stolen property without paying the footpad for it.

Now listen to this:

He knows (the syndicalist) that in modern society, as in all ages, might is right and that the capitalist hold the industries they have stolen and daily perpetuate the robbery of the wages system simply because they have the economic power to do so.

He has fathomed the current system of ethics and morals, and knows them to be just so many auxiliaries to the capitalist class.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Am I correct in assuming that the gentleman from Mississippi made a motion to strike because he thought the insertion in the record reflected on the patriotism of the members of the committee?

Mr. RANKIN. It reflects on everybody connected with the committee.

Mr. HOFFMAN. If the gentleman will recall, unless I am mistaken, when the gentleman from Illinois [Mr. SABATH] asked for permission to insert those articles, I asked him if they reflected upon any Member of the House, and he said that they did not. Perhaps he did not so intend; I do not know.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I do not yield further at this time.

Listen to this man who wrote this pamphlet branding the activities of the Committee on Un-American Activities as a "witch hunt." Listen to this man who heads the Communist Party:

In his choice of weapon to fight his capitalist enemies the syndicalist is no more careful to select those that are fair, just, or civil-

ized than is a householder attacked in the night by a burglar. He knows he is engaged in a life and death struggle with an absolutely lawless and unscrupulous enemy, and considers his tactics only from the standpoint of their effectiveness. With him the end justifies the means. Whether his tactics be legal and moral or not, does not concern him, so long as they are effective. He knows that the laws, as well as the current code of morals are made by his mortal enemies, and considers himself about as much bound by them as a householder would himself by regulations regarding burglary adopted by an association of housebreakers.

The other day when we had the same Foster before the committee, 30 years after that was written, I asked him this question:

In 1930, when you appeared before the Fish committee, Mr. Bachman, I believe, of West Virginia, was on the committee, and he asked you a question about statements that you had made before, and I am going to read it to you now and ask you if this is your view at the present time. He says:

"You made that statement: 'No Communist, no matter how many votes he should secure in a national election, could, even if he would, become President of the present government. When a Communist heads the Government of the United States—and that day will come just as surely as the sun rises—the Government will not be a capitalist government but a Soviet government, and behind that government will stand the Red Army to enforce the dictatorship of the proletariat.'"

You made that statement, did you?

Mr. FOSTER. I think so.

He was under oath both times.

Mr. RANKIN. That was your view?

Mr. FOSTER. I made that statement; yes.

Mr. Speaker, that is what these Communists are driving at in this country.

It is time for both the United States and Canada to round up these spies, and these traitors, and forever put a stop to their subversive activities, before it is too late.

I give you this in order to let you know that the attacks that are being made on our committee have their bases in the minds of an element that wants to destroy the American form of government and the American way of life.

Mr. MUNDT. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from South Dakota.

Mr. MUNDT. Mr. Speaker, I think it should also be brought out that William Z. Foster, who has been quoted at such length, and who holds such radical views, so much more nearly represents the point of view of the Communist Party in America today than at their last convention they rejected as their National Commander Earl Browder, whom they dismissed as too conservative, and elected this same William Z. Foster. Those people who feel that communism in this country is not on the march and is not radical and complete in its objectives might well study the reasons why Earl Browder, who served the party all during the war, has now, by unanimous vote, been expelled from the party and dismissed as its secretary, and they might also ponder why the Communists have chosen this ever so much more radical individual, William Z. Foster, as reflecting their present point of view.

Mr. RANKIN. They threw Earl Browder out because, they said, he had cooperated with the United States in this war, and put this radical at the head, this William Z. Foster. They are carrying on this campaign, as I said, and the Committee on Un-American Activities is doing its best to protect this country from them.

Mr. BRADLEY of Michigan. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Michigan.

Mr. BRADLEY of Michigan. Does Mr. Foster hold those same views today that, if I understood the gentleman correctly, he held some years ago?

Mr. RANKIN. He claimed that he had changed his mind on some of them, but the statement that I quoted, wherein he predicted that the Communists would take over this country and be backed up by the Red Army, was made before the Committee on Un-American Activities under oath less than 3 months ago.

Mr. BRADLEY of Michigan. He still holds that view, then?

Mr. RANKIN. Why, certainly. He made that statement before the Fish committee and I think before the Dies committee. He holds those views today.

I know some good men have been misled and they have gone out and got preachers and others who did not know what was going on to join some of these Communist-front organizations. I know there are men in this House who do not know the facts. I say that we owe Canada a lasting debt of gratitude for coming out the other day and exposing a spy ring that was undermining both Canada and the United States.

Mr. Speaker, I move the previous question.

Mr. SABATH. Mr. Speaker, may I be heard?

Mr. MARCANTONIO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MARCANTONIO. If the previous question is ordered, that means that the gentleman from Illinois will have no opportunity to defend the insertion that he placed in the Record or answer the charges made by the gentleman from Mississippi?

The SPEAKER. It means there will be no further debate, if the previous question is ordered.

Mr. SABATH. Mr. Speaker, I ask unanimous consent that my statement and my letter be read before a vote is taken, being positive that, with the exception of a few words which 2 days ago I asked be stricken from the Record, there is not a single word that would be considered as unfair and unjust to the House or a violation of the rules in any way, shape, or form.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. RANKIN. I object, Mr. Speaker, and I insist on my motion for the previous question.

Mr. SABATH. I ask that the letter be read; that is all I ask.

The SPEAKER. Objection is heard.



The question is on ordering the previous question.

The question was taken; and on a division (demanded by Mr. MARCAN-ronio) there were—ayes 139, noes 80.

Mr. CELLER. Mr. Speaker, I demand the yeas and nays on ordering the previous question.

The yeas and nays were ordered.

The question was taken; and there were—yeas 161, nays 185, not voting 84. as follows:

[Roll No. 36]

YEAS—161

Abernethy	Fellows	Mason
Allen, Ill.	Fenton	Mathews
Allen, La.	Fuller	May
Andersen,	Gamble	Morrow
H. Carl	Gathings	Morrison
Anderson, Calif.	Gavin	Mundt
Andersen,	Gearhart	Murray, Wis.
August H.	Gerlach	O'Konski
Andrews, Ala.	Gibson	Peterson, Fla.
Andrews, N. Y.	Gillespie	Phillips
Arnold	Gillie	Pickett
Auchincloss	Goodwin	Pittenger
Barden	Gossett	Ploesser
Barrett, Wyo.	Graham	Plumley
Bates, Mass.	Grant, Ala.	Price, Fla.
Beckworth	Grant, Ind.	Rankin
Bell	Gregory	Reece, Tenn.
Bennett, Mo.	Griffiths	Reed, Ill.
Bishop	Gross	Rees, Kans.
Blackney	Gwynne, Iowa	Rich
Bonner	Hail	Richards
Bradley, Mich.	Leonard W.	Riley
Brooks	Hancock	Rockwell
Brown, Ohio	Hare	Rodgers, Pa.
Brumbaugh	Harness, Ind.	Roe, Md.
Bryson	Harris	Rogers, Fla.
Buck	Hartley	Rogers, Mass.
Butler	Henry	Schwabe, Okla.
Campbell	Hess	Shafer
Carlson	Hill	Sharp
Church	Hobbs	Short
Clark	Hoeven	Simpson, Ill.
Clevenger	Horan	Smith, Ohio
Clippinger	Jenkins	Smith, Wis.
Cole, Mo.	Jennings	Springer
Colmer	Jensen	Stewart
Cooper	Johnson, Ill.	Sundstrom
Cravens	Jones	Taber
Cunningham	Jonkman	Talbot
Curtis	Kilburn	Thomas, N. J.
Davis	Kilday	Towe
D'Ewart	Kinzer	Vorys, Ohio
Dolliver	Knutson	Vursell
Domengeaux	Lanham	Wadsworth
Dondero	Larcade	Welchel
Doughton, N. C.	Latham	West
Drewry	LeFevre	White
Durham	Lewis	Whittington
Dworshak	McCowen	Wickersham
Earthman	McGehee	Wilson
Eaton	McKenzie	Winstead
Elliott	McMillen, Ill.	Wolcott
Ellis	Maloney	Wolfenden, Pa.
Elsaesser	Manasco	Woodruff
Elston	Martin, Mass.	

NAYS—185

Adams	Cole, N. Y.	Geelan
Almond	Cooley	Gordon
Angell	Corbett	Gore
Barrett, Pa.	Cox	Gorski
Barry	Crawford	Granahan
Bates, Ky.	Crosser	Green
Bender	D'Alesandro	Hagen
Bennet, N. Y.	Dawson	Hale
Biemiller	De Lacy	Hall
Bloom	Delaney	Edwin Arthur
Bolton	James J.	Halleck
Bradley, Pa.	Delaney	Hart
Brehm	John J.	Havener
Brown, Ga.	Dingell	Hays
Buckley	Douglas, Calif.	Healy
Buffett	Douglas, Ill.	Hedrick
Bulwinkle	Doyle	Heffernan
Bunker	Ellsworth	Hendricks
Burgin	Engle, Calif.	Herter
Byrne, N. Y.	Ervin	Heselton
Camp	Fallon	Hinshaw
Canfield	Feighan	Hoch
Carnahan	Fernandez	Hoffman
Case, N. J.	Flood	Hollifield
Celler	Fogarty	Holmes, Wash.
Chelf	Forger	Howell
Clason	Forand	Huber
Clements	Fulton	Hull
Cochran	Gallagher	Izac
Coffee	Gardner	Jackson

Johnson, Calif.	Miller, Nebr.	Sabath
Johnson, Ind.	Mills	Sadowski
Johnson,	Monroney	Sasser
Luther A.	Murdoch	Savage
Johnson,	Neely	Schryver
Lyndon B.	Norblad	Sheppard
Kean	Norton	Sikes
Kearney	O'Brien, Ill.	Smith, Maine
Kee	O'Brien, Mich.	Somers, N. Y.
Kefauver	O'Hara	Spence
Keogh	O'Neal	Starkey
King	O'Toole	Stefan
Kirwan	Outland	Stevenson
Kopplemann	Pace	Stigler
Kunkel	Patman	Stockman
LaFollette	Patrick	Sullivan
Lane	Patterson	Talle
LeCompte	Pfeifer	Tarver
Lesinski	Philbin	Thom
Link	Powell	Thomas, Tex.
Ludlow	Price, Ill.	Thomason
Lyle	Priest	Tolan
Lynch	Quinn, N. Y.	Torrens
McCormack	Rabin	Traynor
McDonough	Rains	Trimble
McMillan, S. C.	Ramey	Voorhis, Calif.
Madden	Rayfield	Wasielewski
Mankin	Rea	Welch
Mansfield,	Robison, Ky.	Wigglesworth
Mont.	Roe, N. Y.	Wolverton, N. J.
Marcantonio	Rogers, N. Y.	Woodhouse
Martin, Iowa	Rooney	Worley
Michener	Rowan	Zimmerman
Miller Calif.	Ryder	

NOT VOTING—84

Arends	Granger	Poage
Bailey	Gwinn, N. Y.	Rabaut
Baldwin, Md.	Hand	Randolph
Baldwin, N. Y.	Harless, Ariz.	Reed, N. Y.
Beall	Hébert	Rivers
Bland	Holmes, Mass.	Rizley
Boren	Hook	Robertson, N. Dak.
Boykin	Hope	Robertson, Va.
Burch	Jarman	Robinson, Utah
Byrnes, Wis.	Johnson, Okla.	Russell
Cannon, Fla.	Judd	Schwabe, Mo.
Cannon, Mo.	Keefe	Sheridan
Case, S. Dak.	Kelley, Pa.	Simpson, Pa.
Chapman	Kelly, Ill.	Slaughter
Chenoweth	Kerr	Smith, Va.
Chiperfield	Landis	Sparkman
Cole, Kans.	Lea	Sumner, Ill.
Combs	Lemke	Sumners, Tex.
Courtney	Luce	Taylor
Curley	McConnell	Tibbott
Daughton, Va.	McGlinchey	Vinson
Dirken	McGregor	Walter
Eberhart	Mahon	Weaver
Engel, Mich.	Mansfield, Tex.	Whitten
Fisher	Morgan	Winter
Flannagan	Murphy	Wood
Gary	Murray, Tenn.	
Gifford	Norrell	
Gillette	Peterson, Ga.	

So the motion for the previous question was rejected.

The Clerk announced the following pairs:

Additional general pairs:

Mr. Bailey with Mr. Reed of New York.  
Mr. Cannon of Florida with Mr. Case of South Dakota.  
Mr. Boykin with Mr. Enge' of Michigan.  
Mr. Granger with Mr. Hand.  
Mr. Poage with Mr. Byrnes of Wisconsin.  
Mr. Morgan with Mr. Gwinn of New York.  
Mr. Bland with Mr. Landis.  
Mr. Cannon of Missouri with Mr. Cole of Kansas.  
Mr. Johnson of Oklahoma with Mrs. Luce.  
Mr. Murphy with Mr. McConnell.  
Mr. Sparkman with Mr. Robertson of North Dakota.  
Mr. Sheridan with Mrs. Sumner of Illinois.  
Mr. Walter with Mr. Taylor.  
Mr. Murray of Tennessee with Mr. Winter.  
Mr. Randolph with Mr. Schwabe of Missouri.

Mr. HINSHAW, Mr. BREHM, Mr. COLE of New York, Mr. HOWELL, Mr. CLASON, Mr. ANGELL, Mr. COX, Mr. ELLSWORTH, Mr. BUFFETT, Mr. MILLS, and Mr. ALMOND changed their votes from "yea" to "nay."

Mr. STEVENSON changed his vote from "present" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. For what purpose does the gentleman from Illinois [Mr. SABATH] rise?

Mr. SABATH. Mr. Speaker, I rise in opposition to the motion of the gentleman from Mississippi.

The SPEAKER. The gentleman from Illinois is recognized for 1 hour.

Mr. SABATH. Mr. Speaker, I am grateful and appreciative to the Members for having voted down the motion of the gentleman from Mississippi [Mr. RANKIN] for the previous question, for otherwise, under the rules, I would have been denied even 1 minute to answer the unfair demand to strike from the RECORD my remarks and the letter which I addressed to the chairman of the Committee on Un-American Activities. I am glad to have the opportunity of being heard.

It has always been my aim to give the minority, or anyone, the right to defend himself and speak in his defense, or to oppose any legislation. After I had sent that letter to the chairman of the committee on February 19, I inserted it in the CONGRESSIONAL RECORD, after obtaining unanimous consent of the House. Later I observed, Mr. Speaker, as you will recall, that there were words therein which I thought should be deleted. On page 1539 of the daily RECORD, shortly after the matter was inserted, you will find I rose on the floor of the House and made the following request:

Mr. Speaker, I ask unanimous consent that I may delete from the permanent RECORD certain words in a letter which I sent to the Honorable JOHN S. WOON, chairman of the Committee on Un-American Activities.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

So, Mr. Speaker, I had done what I thought was the manly thing because I never, during nearly 40 years of service, have desired to hurt the feelings of any man. Oh, I have criticized the Republicans when I have thought they were wrong. I feel as a Member of Congress I have the right to express my views. I also believe in freedom of speech and freedom of the press, though I have been subjected to many attacks. If I were to follow the tactics of the gentleman from Mississippi, I could be here every second day on the floor asking to obtain the floor on a question of personal privilege.

I believe firmly in the right of the press to criticize what they believe needs criticism, even though I have been frequently and unfairly attacked by unfriendly newspapers, just as I insist upon my right, as a Member of Congress, to express my views. I only wish, Mr. Speaker, that you would read, for your benefit and for the benefit of the gentlemen here, the entire letter which I addressed to the chairman of the Committee on Un-American Activities, and also the full text of the introductory remarks. I venture to say there would be few Members, outside of the gentleman from Mississippi, who would find in that letter anything unparliamentary or unfair or unjust. I have received many complaints, Mr. Speaker, about two men connected with that committee; one of them is a gentleman by the name of

Adamson who criticized the views of some individuals as being "democratic" and therefore "un-American." Naturally, I resented that, and having obtained information and letters from various sources, I embodied in my letter the information which came to me, together with that which I received from such sources as the New York Federation of Churches and similar organizations above any questioning.

I did not wish to reflect upon the chairman of that committee, because I believe he is an honorable, honest man, and I think the majority of the gentlemen on that committee are fair. Unfortunately, I feel that the gentleman from Mississippi, as he does sometimes on the floor with the great ability and strength that he possesses, sways the viewpoint of the committee, and I feel that that committee has gone far afield and has not really penetrated the real un-American activities or those guilty of subversive acts.

The gentleman from Mississippi [Mr. RANKIN] is trying to bring into my speech and my letter the statements and writings of Foster and of others. I want to assure you, and I do not think it is necessary for me to assure the country, that I am not a Communist; never believed their doctrines; I have fought them as hard as any man. I even fought socialism long before I came to Congress. I believe in democratic principles. I love my country. I owe it a great deal, and during these years I have tried to the best of my ability to be fair and to be just and to serve my country to the best of my ability. I feel that I have never been guilty of anything else but rendering to the people of my Nation and my country the best that was in me.

During my long service, Mr. Speaker, I have had a great many opportunities to obtain more lucrative positions in business, or by devoting my full time to practice of law. I have refused, and I shall refuse in the future as I have in the past, because I feel, with my years of experience here, that I can continue to be of service to my country and to my party.

I appreciate that there are some gentlemen on the other side who may feel I have been at times a little too strong in my criticism, but, on the other hand, I could not sit here and listen to some of those attacks which I felt were unfair and unjustifiable, and I answered them. We all do that from time to time, and I hope that the country will continue to have the two-party system, and that we will differ from time to time on certain matters. In that connection I will say I believe honest criticism is a healthful and beneficial thing.

Mr. TARVER. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. TARVER. The gentleman made it clear that he had asked and obtained unanimous consent of the House to take out certain words that occurred in his extension of remarks. I wish the gentleman would make it clear just what words he has taken out under that permission.

Mr. SABATH. I do not have it before me now. I was not prepared for this today, but I did ask to have stricken out anything that could be in any way ob-

jectionable to anyone or that would in any degree reflect—

Mr. TARVER. Did the gentleman have stricken out the words describing the Committee on Un-American Activities as "The Un-American Committee?"

Mr. SABATH. I am afraid I did not designate the exact words but my request to strike out was broad enough to include them. However, if there is any question, I again ask unanimous consent to change these words. Unfortunately, I did not have time to go over them before the remarks were sent to the Government Printing Office.

Mr. TARVER. Will the gentleman now ask unanimous consent that that part be stricken?

Mr. SABATH. I will repeat my unanimous-consent request again and again to strike out those words. I want to assure you they were not mine.

Unfortunately, my office is tremendously busy. I have two new secretaries whose services I succeeded in obtaining after months of hard effort, and one of them unfortunately put that in without my knowledge, and I want to assure you that I am telling you the honest-to-God fact and truth. I never noticed it. I did not see it until my attention was called to it.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I cannot yield.

Mr. THOMAS of New Jersey. The House yielded to you.

Mr. SABATH. As to the gentleman, he is a member of that committee. He made his speech a little while ago. I know of his activities on that committee while Mr. Dies was the chairman, and I know his viewpoint. Of course, I never had a word with him—

Mr. THOMAS of New Jersey. I want to help the gentleman.

Mr. SABATH. And I do not want to have a word with him today. He is entitled to his viewpoint.

Mr. THOMAS of New Jersey. I want to help the gentleman.

Mr. SABATH. And I hope he will give me credit and say I am entitled to my viewpoint, and that he will not, like the gentleman from Mississippi, try to make a Communist out of me or a man underserving to serve in this House.

Mr. THOMAS of New Jersey. Will the gentleman yield? I want to help the gentleman.

Mr. SABATH. I will yield; I always welcome any help from any gentleman at any time, and consequently I shall yield to the gentleman.

Mr. THOMAS of New Jersey. Will the gentleman from Illinois then explain in detail whether he has taken out the words "House Un-American Committee" in the title?

Mr. SABATH. Yes. That was a mistake and not intended.

Mr. THOMAS of New Jersey. And has the gentleman taken out the words down below "Un-American Committee"?

Mr. SABATH. Yes, sir; that has been done.

Mr. THOMAS of New Jersey. It has been done? When was that done?

Mr. SABATH. When I asked unanimous consent here on this floor.

Mr. THOMAS of New Jersey. Both places?

Mr. SABATH. Both places; yes.

Mr. THOMAS of New Jersey. Did the gentleman also write a letter of apology to the chairman of the committee?

Mr. SABATH. I will say this to the gentleman from New Jersey—

Mr. THOMAS of New Jersey. There is nothing wrong with that.

Mr. SABATH. I will say this to the gentleman from New Jersey, I have not, because I thought that if the chairman, in whom I have the utmost confidence, had seen anything wrong in the letter I addressed to him, he would have called my attention to it or he would have answered me.

Mr. THOMAS of New Jersey. He has not answered yet, though.

Mr. SABATH. He has not.

Mr. THOMAS of New Jersey. The chairman is going to answer.

Mr. SABATH. I will say this, if you or any other man can point out a single line that is objectionable to the chairman of that committee I will gladly strike it out, and I would even be willing to strike the whole speech out, but there is nothing in there that is objectionable, unfair, or unjustifiable. I meant no disrespect to anyone, and never did.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Georgia.

Mr. COX. I should like to say to the gentleman that his conduct is most admirable and is obliged to be disarming to those who have felt aggrieved because of what has taken place in the last hour or so. If the gentleman has not as yet actually stricken from the RECORD the language objected to, will he now ask unanimous consent to do so?

Mr. SABATH. I will do so with pleasure, and I thank the gentleman from Georgia for his statement.

Mr. COX. With that leave given, Mr. Speaker, I think this whole controversy ought to end.

Mr. SABATH. Now, Mr. Speaker, I renew my unanimous-consent request, that I may have the privilege to delete from the speech, from the letter, and from the headline those words that are even to me objectionable, and that I did not intend anyway should be put in as they were, but it was merely a mistake on the part of a clerk. I repeat, the title should read: "Committee on Un-American Activities," and that was the intention.

Mr. HOFFMAN. Mr. Speaker, reserving the right to object, and I do so just to get information, that is all.

Mr. SABATH. All right, but please hurry.

Mr. HOFFMAN. When this matter came up—and the gentleman will find it on page 1444, I reserved the right to object, and asked if the gentleman was making an attack upon any Member of Congress; and you replied that you were not.

Mr. SABATH. I did not make any attack.



Mr. HOFFMAN. In that request you were asking permission to insert an editorial and a letter. Now, when you inserted your remarks you included here that offensive to some "un-American committee."

Mr. MARCANTONIO. Mr. Speaker, I ask for the regular order on the consent request.

The SPEAKER. The gentleman from Illinois has yielded.

Mr. HOFFMAN. Then there is the third paragraph. As I understand it, any and all charges that the committee is un-American in its activities are eliminated?

Mr. SABATH. I feel I have made my position clear.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. RANKIN. Mr. Speaker, reserving the right to object, of course, there are other things that have been put in the RECORD that I object to and the committee objects to, but I want to say to the gentleman if he had notified the members of the committee that those things that are in the RECORD were deleted we would have known of it. The committee was not notified of this request.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. RANKIN. Mr. Speaker, reserving the right to object, if anything reflecting on this committee is put in the RECORD again, you will hear from me.

Mr. SABATH. The gentleman is withdrawing his motion, and I presume that is the result of the vote just taken, which indicates that the House would have acted fairly and would not have sustained the motion. Had the gentlemen been able to hear me before the vote on the previous question was taken I am sure the majority against it would have been still greater.

Mr. Speaker, it has always been my policy that if I cannot do a person any good I will not do him any harm; and I am so constituted that I cannot help resenting unfairness and unjust attacks, whether made against me or against someone I do not even know. We have given up almost a whole day to this debate, and I have asked unanimous consent to strike from my remarks words which I did not intend to be there, and especially the words, "House Un-American Committee," and substitute therefor the words, "House Committee on Un-American Activities," as it was intended they should read, both in the headline and in the text of my remarks, and to delete certain other words which I believe myself were improper, and I assure you were inadvertent.

I again wish to assure you, Mr. Speaker, and to assure the House that it was not my intention to reflect upon the House. On the contrary, I have at all times tried to the best of my ability to eliminate anything said by anyone that might place the House in disrepute, and I am always alert to anything which might detract from the dignity of the House. While I have permission to extend my remarks, the lateness of the hour leads me to conclude at once, so that this may appear in today's RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. RANKIN. Mr. Speaker, I withdraw my motion if he is going to withdraw those offensive remarks from the RECORD.

The SPEAKER. The motion is withdrawn.

#### HOUSING STABILIZATION

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4761) to amend the National Housing Act by adding thereto a new title relating to the prevention of speculation and excessive profits in the sale of housing, and to insure the availability of real estate for housing purposes at fair and reasonable prices, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4761, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The bill was read last evening. The first committee amendment is now in order for consideration.

The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 1, line 6, insert:

"Sec. 701. (a) The Congress declares that an emergency exists wherein there are insufficient facilities for housing large segments of the population, that large numbers of veterans of the armed forces are returning to civilian life in need of housing accommodations which are not available, and that it is necessary for the health and safety of the people that all facilities of the United States Government be made available and coordinated to obtain a maximum amount of housing."

Mr. HINSHAW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to ask the members of this committee a question concerning this amendment, and I presume my question relates to other portions of the bill. A portion of the committee amendment states:

That all facilities of the United States Government be made available and coordinated to obtain a maximum amount of housing.

Then it assumes elsewhere that the provision is to permit the veterans to have preference in priority in connection with housing.

Is there anything in this bill that would prevent the misuse of this privilege by persons who would merely obtain the consent of a veteran for the use of his name in obtaining priority? Is there anything to prevent anyone from financing a veteran to build a home which the veteran would immediately resell to him?

Mr. SPENCE. The Administrator, under the bill, has the power to issue regulations, and that matter would be taken care of, I assume, by the regulations. It

is an administrative matter. Of course, the Administrator is going to see that the materials are not diverted for purposes for which they were not intended. The bill gives him the power to regulate those matters.

Mr. HINSHAW. What provision is there in the bill for permitting the completion with priorities of a great many thousand homes which are already under construction, the construction of which has been stopped because the previously granted priorities are not recognized under the new HH priority system? There are, according to my information, in the area in which I live some 12,000 to 15,000 homes now under construction which cannot be completed because they are unable to obtain the new HH priorities, and these housing facilities therefore remain idle because they are uncompleted.

What provision is there for the early completion of the present unfinished housing? I say that, Mr. Chairman, for this reason, that after all, a housing shortage affects all people, and while we want to give priority to the veterans in obtaining this new housing, at the same time any alleviation of the shortage will be to the benefit of the veteran and all concerned.

Mr. SPENCE. The Administrator has the power to grant priorities. The veteran will have the preference, but that does not limit the Administrator's power to grant priorities and to provide for the completion of the houses that are under construction. If this bill passes and the house is completed after the effective date of the act, we will have the power to put a ceiling upon it.

Mr. HINSHAW. I thank the Chairman. That is what I was afraid of.

I would like to read a letter concerning a case that I am talking about, which is a case in point. A veteran who is a builder recently made application for an HH priority on a five-room home which he estimated would cost \$8,200, \$6,000 for the house and \$2,200 for the lot. When he came to make his new application for priorities his priority application was returned approved provided the house, lot, broker's commission, and his own profit, he being a contractor, would come within the ceiling price that came along with the provisional approval, a price of \$7,800, which was \$400 less than the house actually cost. Just think of it. How does anyone in the world expect, if the housing Director or the Office of Price Administration are going to administer the law in that way, that they are going to get housing? They are not going to get housing. That is exactly the type of asinine regulation that is stifling home building today.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Texas if he can answer that question.

Mr. PATMAN. May I invite the gentleman's attention to page 8 of the bill, about one-third down, where he will find a sentence, I think, that will take care of his problem:

Any prospective seller of such housing accommodations may apply for such certification at any time, including before the

commencement of construction, during its progress, or after its completion.

Mr. HINSHAW. Yes; I have read the language, and I thank the gentleman. I hope that will be included if this bill is passed. He can make application for it, but there is no requirement whatsoever that the application shall be granted on a fair price and cost basis.

A little later on, in the language that follows, it says that he—

may, at any time before the first sale, apply for such revision of the maximum sales price previously certified as may be justified by a showing of special circumstances arising during the course of construction and not reasonably to have been anticipated at the time of the issuance of the earlier certification.

There is no requirement whatsoever that the Director shall or must actually issue a price to him which shall cover his cost and allow him to pay brokerage fees, and so forth, on the sale of the property.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. If the gentleman can explain it.

Mr. BARRY. On the first question about the veteran having the house built—

Mr. HINSHAW. I have passed that question and I have come to another one, and I would like an answer to it.

Mr. BARRY. The veteran cannot sell the house and make a profit on it, so there is no point in selling it to anybody.

Mr. HINSHAW. That is another place where you have stuck the veteran. You have fixed him so that he cannot get anything, whereas everybody else can. That is a direct discrimination against the veteran. He is really stuck under the terms of this bill.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. CRAWFORD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish to add to the remarks of the gentleman from California. As I understand this bill—I do not claim to be the last authority on this bill, and I do not know anybody who does—I do not know of anything in this bill that would prohibit me, if I were a veteran, from joining with my friend the gentleman from California, a contractor, so that I would obtain the permits and my friend from California would do the constructing. We could combine our efforts and bring to ourselves a profit, time and time again, through the applications which I, a veteran, could submit and have approved and under which we could then go out and build houses. It is fine to pray a prayer in the name of the veteran, but writing language which will prevent that privilege from being abused, is a different proposition.

I do not think the gentleman from California [Mr. HINSHAW] had a clear-cut answer to his question. I do not want him to be misled, and I do not want to mislead him, either. I do not think this bill prohibits a veteran from obtaining a permit and disposing of the house, taking whatever profit is protected in that first deal, and coming back and getting another application, building

another house, and taking the profit, and repeating that time and time again, with the veteran and the contractor benefitting by these repeated transactions.

Mr. HINSHAW. Any contractor who is a veteran can do that one time right after another all the way down the line, according to this bill.

Mr. CRAWFORD. I do not think the contractor has to be a veteran.

Mr. HINSHAW. No; but if the contractor is a veteran, and a great many of them are, he can do that one time right after another.

Mr. CRAWFORD. That is my understanding.

Mr. HINSHAW. He can sell the property for any price he wants to on his first sale, and then the fellow who buys it is stuck for a resale.

Mr. CRAWFORD. Another proposition, what is there in the language of the bill that prevents a person who obtains the privilege from selling his option on that privilege?

Mr. HINSHAW. I do not know of anything that prevents that.

Mr. CRAWFORD. Neither do I.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Illinois.

Miss SUMNER of Illinois. Further, when they were selling surplus property some of us Congressmen had applications from people who wanted tractors and trucks, and they were told, "Get a veteran to bid for you." From that experience, there would be no reason to anticipate that there would be anything to stop it in this operation.

Mr. CRAWFORD. If the language is in there, I hope somebody will point it out, because I should like to know if it is in there; that is, language to prevent repeated profits being made under this bill by anyone who can obtain the privilege and wants to misuse it.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Kentucky.

Mr. SPENCE. The gentleman from California said the veteran could sell the house at any price he desired. Of course, the veteran cannot sell the house at any price he desires because there is a ceiling on the house and that ceiling freezes the price. The first seller cannot sell the house for more than the ceiling, and the buyer cannot sell it for more than the ceiling. The price is frozen. There would be no purpose in speculating in those houses unless a man could get a higher price than the law permits him to get. He cannot speculate in them at all.

Mr. CRAWFORD. Mr. Chairman, it will certainly not be argued that the first price set by the Director does not include a profit. If the first price set by the Director does include a profit when the first sale is made, a profit is gained by the operator, and if he repeats the operation, he makes a second profit, and then may even make a third profit, and so on. See the language of the bill on page 8.

Mr. SPENCE. The very purpose of the bill is to provide homes for veterans and for those who have priorities. If a man

should go in this business purely for speculative purposes, having the desire to evade the purpose and the intent of the law, he could be taken care of by regulations by the Administrator. There is no doubt about that. If he received one priority and came back asking for another priority, of course, that would be evidence that he was committing fraud on the administration. I think that argument has no weight whatever.

Mr. CRAWFORD. Mr. Chairman, I yield to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. If the veteran builds the house for himself, for his own use, and so certifies, and then actually moves in, and lives in the house and furnishes it, there does not have to be a ceiling price on it at all.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. GIBSON. Mr. Chairman, I move to strike out the last two words.

My purpose, of course, is to defeat this entire measure. It is beyond me to comprehend what has come over this body of men.

Section 701 (a) sounds like a letter from a smart, but very young little girl to Santa Claus; one who knows only how to want and who has no conception of the possibilities of attaining her goal. Listen to the magnanimous words, and then in a sober reflection just realize how far they are from the accomplishment of anything but destruction and confusion. I quote:

The purposes of this title are to stabilize the prices of real estate to be used for housing purposes, and to prevent speculative, unwarranted, and abnormal increases in the selling prices of such real estate; to eliminate and prevent profiteering in the sale of real estate for housing purposes, the hoarding of materials necessary for the construction of housing and other buildings, and other disruptive practices; to encourage the production of housing at a fair profit; to improve the housing of the people of the Nation in order to foster their health and general welfare; to encourage employment in the housing construction industry, and to maintain such industry at a high level of productivity; to prohibit an undue dissipation of the savings of the people in the Nation in the purchase of homes at speculative prices; to permit returning veterans to acquire housing at fair prices; and to prevent a post-emergency collapse of values in the housing field and to promote a swift and orderly transition to a peacetime economy.

If this Congress and the executive department does not come down from the clouds and practice, at least, the use of common judgment in dealing with national problems, then it would be well in the national interest that we all go home and the President take a vacation; and let the old ship of state sail under her own power. Every move we make serves but one purpose, and that is to create more confusion, place more restraints on those who would like to proceed with reconversion, and set up new bureaus to consume the tax moneys of those upon whom we levy such high taxes.

In short, what would this bill do if enacted into law? It would definitely assure that no one would build or sell even a chicken house. One would be afraid to attempt to, for with all the far-



fetched requirements, the jail would be the only house one could get on his mind, for that is where he would be headed.

Let us analyze a little. Section 702 (a) creates another bureau with a Director at \$12,000 per year with the power to "appoint such employees as he deems necessary in order to carry out his functions and duties under this title," and do not think he would not deem plenty. When his recruits began piling into Washington, it would look like the gates of every community in the United States had been left open. There would be no one left to build houses.

Section 703 (a) provides as follows:

The Director is authorized to make such studies and investigations, to conduct such hearings, and to obtain such information as he deems necessary or proper to assist him in formulating policies, issuing regulations, and performing any other functions under this title. The Director is authorized to require any person who deals in, sells, rents, or buys, or offers to sell, rent, or buy any housing accommodations—

(1) to furnish information under oath or affirmation or otherwise,

(2) to make and keep records, and

(3) to make reports,

in respect of such dealings, sales, rentals, purchases, or offers. The Director may require any such person to permit the inspection and copying of records and other documents and the inspection of housing accommodations. The Director may administer oaths and affirmations. For the purpose of obtaining any information under this section, the Director may by subpoena require any such person to appear and testify or to appear and produce documents, or both, at any designated place. In case of refusal to obey a subpoena served upon any person under this section, the court for any district in which such person is found or resides or transacts business, upon application by the Director, shall have jurisdiction to compel compliance with such subpoena.

Can you imagine a sane businessman walking into such a fly trap as this? Can you face your constituency after attempting to set up such a dictatorship as this? If some of this foolishness is not stopped, there is going to be a bunch around here that will quit having constituents, but will become a fellow constituent.

Section 704 (a) provides as follows:

Whenever in the judgment of the Director the sales prices of housing accommodations the construction of which is completed after the effective date of this title have risen or threaten to rise to an extent or in a manner inconsistent with the purposes of this act, he may by regulation or order establish maximum sales prices for housing accommodations in accordance with the provisions of this title. Any such regulation or order may be limited in its scope to such geographical area or areas and to such types or classifications of housing accommodations as in the judgment of the Director may be necessary to effectuate the purposes of this title. Before issuing any regulation or order under this section, the Director shall, so far as practicable, advise and consult with representative members of industries affected by such regulation or order, and he shall give consideration to their recommendations and to any recommendations which may be made by State and local officials concerned with housing conditions in any area affected by such regulation or order.

The OPA with all its powers that were so viciously used would look like a min-

now beside a whale, if this monster is placed in existence.

Section 704 (b) provides as follows:

Any regulation or order issued under the authority of this section with respect to housing accommodations the construction of which is completed after the effective date of this title shall provide that no sale of any such housing accommodations shall take place until after the builder thereof has filed with the appropriate agency designated by the Director a description of such accommodations, including a statement of the proposed maximum sales price, and has received from such agency a certification that such price is reasonably related to the value of the accommodations to be sold, taking into consideration (1) reasonable construction costs not in excess of the legal maximum prices of materials and services required for the construction, (2) the fair market value of the land (immediately prior to construction) and improvements sold with the housing accommodations, and (3) a margin profit reflecting the generally prevailing profit margin upon comparable units during the calendar year of 1941. Any prospective seller of such housing accommodations may apply for such certification at any time, including before the commencement of construction, during its progress, or after its completion. In any case where a certification of approval of a proposed maximum sales price has been issued prior to the completion of construction, the prospective seller may, at any time before the first sale, apply for such revision of the maximum sales price previously certified as may be justified by a showing of special circumstances arising during the course of construction and not reasonably to have been anticipated at the time of the issuance of the earlier certification. The first sale of housing accommodations the construction of which is completed after the effective date of this title shall not be made at a price in excess of the maximum sales price certified under this subsection. The actual price at which any such housing accommodations is first sold, plus any increases authorized pursuant to subsection (c), shall be the maximum sales price for any subsequent sale of such housing accommodations.

What statesman, architect, philosopher, or magician could, through combined efforts, work out the meaning of all these words? I doubt if there are many Members of this House, or if there would be many among the personnel of this proposed new agency, that would know a sleeper from a rafter, or a cellar from an attic; yet with that compilation of words, you expect to labor and produce houses for veterans. God, pity the veterans, if from this effort, their roofs must come.

Section 705 (a) provides as follows:

Whenever in the judgment of the Director there is a shortage in the supply of any material or any facilities suitable for the construction of housing accommodations he may by regulation or order allocate, or establish priorities for the delivery of, such material or facilities in such manner, upon such conditions, and to such extent as he deems necessary and appropriate in the public interest and to effectuate the purposes of this title.

Here is an attempt to set up another WPB—to form another bottleneck—by red tape and confusion unsurmountable. In other words, you are trying to set up a combination OPA-WPB. What will you think up to saddle on the people next?

Section 708 (b) provides:

Any person who willfully violates any provision of section 706 of this title, and any

person who makes any statement or entry false in any material respect in any record or report required to be kept or filed under section 703, shall, upon conviction thereof, be subject to a fine of not more than \$5,000 or to imprisonment for not more than 1 year, or to both such fine and imprisonment. Whenever the Director has reason to believe that any person is liable to punishment under this subsection, he may certify the facts to the Attorney General, who may, in his discretion, cause appropriate proceedings to be brought.

Here is where your last hope goes. When one who knows how to build, and, if permitted to do so, would build, reads this, again I say the jailhouse is the only house he would ever think of again. The American people have had quite a bit of experience with these dumb, wise boys out of Washington, and do not think for a moment a man of any degree of intelligence is going to risk his freedom to the whims and wild brainstorm of these boys from the bureaus.

Now, we have covered a few of the high points in this manifesto of the creative minds of Washington. Let us come down to earth for once, where we can look around us and see things through the natural eye—see them as they are.

To anyone who will permit himself to think, it is easy to see why there is a housing shortage, and, for that matter, a complete economic crisis in this country today. I hate to make this statement, but, more than that, I hate to know that it is true. There are two reasons, and two only, why we are not very nearly over the hump in reconversion and back to normal living in this country.

First, this administration through years of appeasement and yielding to the CIO and its fellow travelers, has built up a monster in the form of labor racketeers that have just about taken over this country. Were it not for the strikes, which in practically all instances are totally unjustifiable throughout the land, there would be an abundance of building material and a great start would be made toward furnishing automobiles, fridges, and other household equipment and farm machinery and equipment needed throughout the land for normal living and abundant production for the happiness and welfare of the people of this Nation.

Besides the fact that this administration must assume the responsibility for the creation of this monster, which has assumed complete control of the destiny of the people of this Nation, this Congress has sat idly by and hog-tied industry and free enterprise and refused to make any constructive effort toward the regulation of the thugs and racketeers operating under the banner of organized labor. This Congress has seen every form of violence and destruction of property committed by this gang in violation of every fundamental law of this Commonwealth and in the face of such conditions, have constantly refused to make any sincere effort toward correction of these evils. I will give you just one example of the nefarious outlawry practiced by this gang: Under date of February 2, 1946, Mr. W. B. Gillican, of the Star Naval Stores Co., Inc., of Homerville, Ga., advised me that some

time ago they shipped to the Worthington Pump Co. at Harrison, N. J., several worn and broken parts of a Worthington pump for replacements. On December 31, 1945, they were promised shipment of these replacements; then on February 1, 1946, this company was advised by the Worthington Pump Co. that the shipment could not be made on account of a strike at the Harrison plant. Star Naval Stores Co. then requested the return of the parts, with the purpose in view to have them duplicated in a local machine shop. Upon receipt of this request, the Worthington Pump Co. advised the Star Naval Stores Co. that they could not return the parts as strikers would not allow the management access to the plant in which the broken pump parts were stored and, therefore, they could not get to them to return them. If this is not confiscation of private property without due process of law, in the name of God I ask what could constitute a violation of this provision of the Constitution of the United States? This is only one of many millions of unlawful acts that have retarded a proper reconversion. Furthermore, one of the causes of the lack of houses in this country today is the fact that farm prices have been depressed and not permitted to rise along with industrial wages and that strikes have prevented farmers from getting machinery absolutely necessary to the operation of their farms and, therefore, returning veterans have declined to return to the farms throughout the land where there is a surplus of vacant houses.

The next fundamental cause that lies right at the door of this administration is the fact that we have set up every conceivable agency to regiment the very heartbeat of every person in this country who has had any desire to work and produce anything. The OPA has developed a dictatorship like which a free people have never been subjected to before. They have gone far beyond any scope of authority that was ever expected to be vested in them. In the city of Valdosta, Ga., last fall a man with plenty of means started to build 100 houses for rent, and he found that everywhere he turned he ran into some wise guy from Washington who had to tell him just what he could do and just what he could not, and he, as many hundreds of others in these United States who know how to do things and who have the means to perform, declined to proceed further.

If this bill is passed, I assure you that there will be no houses built in the United States unless they are built by the Federal Government. It is my hope that the Government will never put out to build houses, as we had a very sad experience with its ability in this line during the war-housing period at a time, of course, that it was absolutely necessary that the Government get in that field. I can cite you instances where they came to the Congress with evidence to show that it was absolutely necessary at certain points to expend great sums for the construction of dwelling accommodations where people were camping and living in trailers. In one such instance in California they built a big apartment house or dormitory at a cost of more than a million

dollars and were never able to rent but very few of the apartments. In another instance they spent hundreds of thousands of dollars to construct an apartment house in the Northeast, hauled furniture there and furnished it, and it is my information that they never rented the first apartment. The Government cannot do business, and all that may be expected, if we turn these bureaus loose to do this construction, is an absolute waste of the taxpayers' money and the building material in this country. It is inconceivable to me for a body of men presumed to be of normal intelligence to think of setting up another housing agency.

Today there exists at least four housing agencies, and here we come along seeking to set up another bureau at the cost of millions of dollars to taxpayers to add only to the confusion, inefficiency, and destruction of national wealth. If this Congress wants to serve the best interest of this Nation, it will take steps to disband all of these many bureaus trying to regulate the most minute details of the citizenry and industry of this country, and let the business people of this Nation proceed to advance forward, which policy has made the United States of America the greatest country on the globe. Another step that could well be taken by this body would be to stop the flow of raw materials badly needed in this country to foreign countries who have nothing but a boiling pot of confusion brought about by their mad scrambles to communize and socialize their nation. We could well also stop the flow of the taxpayers money to these nations, and for once, give some sober thought to the welfare of the economy of these United States, and the peace, happiness, and protection of the returning veterans who we sent forth by an act of Congress to fight the wars abroad.

Unfortunately, the bureaus established here with unlimited and unheard-of powers to be granted any board or bureau in a land inhabited by free people, in too many instances exert their efforts toward playing politics with a view to getting votes and maintaining themselves in positions of power and glory.

While on this subject I want to bring to the attention of this Congress and the Nation one of the blazing and damnable acts of discrimination against a decent people that has ever been practiced by anyone in power, irrespective of the injustice of the heartbeats of such one exercising said power. The OPA has fixed price ceilings on pulpwood throughout the United States as follows:

Area	Pine	Hardwood
Alabama.....	\$7.60	\$8.10
Florida.....	7.60	8.10
Georgia.....	7.60	8.10
South Carolina.....	7.60	8.10
Tennessee.....	7.60	8.10
Louisiana (east of Mississippi River).....	7.60	8.10
Arkansas.....	8.35	8.80
Texas.....	8.35	8.80
Louisiana (west of Mississippi River).....	8.35	8.80
Maine.....	12.75	13.75
Minnesota.....	12.75	10.00
Michigan.....	12.75	10.00
Wisconsin.....	12.75	10.00
New Hampshire.....	13.25	14.75
Vermont (part).....	13.25	13.50
Do.....	13.25	14.75

For many months several Members of Congress from the South have been protesting with this all-powerful bureau, the manifest and outrageous discrimination practiced against the South on these ceilings. The officers of the OPA have never yet offered any legitimate excuse for this brazen steal. It is nothing but downright thievery from my people and the other people of the South through the authority of power granted this agency by this Congress. It will be noted that through the North the ceilings provide practically twice the sum per unit for pulpwood that our producers are permitted to receive. Through many months of effort we have been able to get the OPA to increase our ceiling \$1.40 per cord, which even though affords a little help, is nothing short of a grand insult toward rectifying, as stated before, a downright steal. Playing politics by any rule is beneath the position of a man in high office, but it transcends the lowest depth of cowardice and dogishness when it is practiced against the hands that have fed those in power. The reason, and the sole reason for this discrimination against the South is that the South through the years has consistently and uniformly supported the Democratic Party. It is an outrage and an insult to the intelligence of our people.

I am here and now putting this bureau on notice that unless we are granted an even ceiling with every other section of the country, that I shall not only vigorously oppose the extension of the powers of the OPA when the measure reaches the floor to extend its powers, but will use all of the influence at my command to cause others to so vote. I concede that this agency could function to the interest of the American people if it could for once quench its thirst for power and destruction. If it would only seek to hold down prices on actual necessities of life and permit the business people and laboring people of this Nation to go forward in the American way without being subjected to the whims of impractical wise guys from Washington, it could, as said before, function to the advantage of the Nation.

Finally, and at last, if we are ever to bring ourselves back to the American way of doing things, we must meet that period in which we are bound to have some inflation. The only natural balance that we may ever expect will be when a sufficient supply of merchandise reaches the markets to again set up a system of competition and permit the people to spend their surplus money for the actual necessities of life that they have been denied through the last few years. It is unfortunate but true that the OPA and other bureaus are more responsible than all other causes combined for the shortage of commodities today. I could cite instance after instance where their unfair rules and regulations have strangled and stifled the life out of the productivity of this Nation.

Another thing that is disturbing to me and should be to the American people, is the fact that instead of getting rid of great surplus personnel on the Federal pay rolls, we are continually increasing it at a useless expenditure of public funds. It is amazing and unthinkable



that the appropriations throughout have been greatly increased in a period following a destructive war and at a time that all appropriations and expenditures should be cut to the bone.

It is high time that the American people look closely into the activities at Washington. If some power does not rise up to cause this Congress to again make sober and sane approaches to the problems facing this country, nothing but destruction awaits our posterity.

Mr. KNUTSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is encouraging when a Member on the majority side will rise and make a frank, timely statement, such as was just made by the gentleman from Georgia [Mr. GIBSON].

I was impressed late yesterday afternoon while listening to the opening remarks of the chairman of this great committee when he repeatedly mentioned that we are in an emergency. Well, that is nothing new. We have had a series of emergencies ever since the New Deal came in. When our late colleague, Bruce Barton, left the House in 1941, he had then compiled a list of 38 emergencies that had arisen under the New Deal. We have been living in a constant era or age of emergencies for 13 long years.

This housing shortage is nothing new. President Roosevelt, away back in the early days of the "Misdeal," told us that one-third of our people were ill-housed, ill-fed, and ill-clothed, and he spent \$18,000,000,000 on relief work. If the housing situation was then so serious, why did he not devote most of that \$18,000,000,000 to building homes, rather than using it for raking leaves and robbing our people of initiative?

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. Yes; I yield.

Mr. SPENCE. I was here during the last 2 years of the Hoover administration. There was not an emergency at that time, but there was such a depression you could see the stars at noonday.

Mr. KNUTSON. Yes; so the gentleman says. Does the gentleman remember that the Democrats were then in control of the House and they blocked Mr. Hoover at every turn?

Mr. SPENCE. Since I saw the change that came over our country when Mr. Roosevelt came in, it was a very beneficial change.

Mr. KNUTSON. The depression was the aftermath of the war you Democrats promised to keep us out of back in 1916.

There were yet over 10,000,000 men out of work when the Japs struck at Pearl Harbor after spending eighteen billions on relief and you had increased the debt from \$22,000,000,000 up to \$67,000,000,000.

Mr. ERVIN. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. No; I do not yield. Mr. Chairman, I prefer that these hatchetmen speak in their own time.

Now if the bureaus could build houses, there would be no need for any further legislation, because God knows there are Government bureaus all over the country. You now propose to create another bureau. A bureau for what? To build houses. No, my friends; you are not

going to get houses with more bureaus. You are going to get houses through production. You are going to get houses by getting people back to work and producing the things that are necessary to build houses. You are not going to do it with more bureaus. In the 13 years you have been in power you have increased the number of bureaus and commissions from 68 to nearly 1,200. You have tried that remedy repeatedly. You tried to regulate the dairy industry with OPA, and today we read in the morning papers that there is only a 2 days' supply of butter in the entire Nation. No, my friends; you are again on the wrong track. You will have to find the right method, and the right method lies in more production. We all are for homes for all, but we do not deceive ourselves that we shall get them with more bureaus.

The CHAIRMAN. The time of the gentleman from Minnesota has expired. VETERANS' HOUSING SHOULD NOT BE POLITICAL

Mr. PATMAN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I dislike very much to see this issue made a partisan political issue; it should not be, and I want to appeal to my Republican friends to desist and refrain from attempting to or making it a political issue. It is too serious for that.

When VE-day and VJ-day came we made arrangements immediately for the demobilization, the quick demobilization of millions of men. That upset our economy here in the United States. It was right that we should demobilize them just as quickly as possible. We did what we should have done, but at the same time we did not have the materials and we did not have the plans, we did not have the program to provide for the housing of these millions of veterans. It is true, as the gentleman from Minnesota stated, that our national debt is very, very high, but regardless of any national debt, this war is not over with the 15,200,000 men and women who served in the armed forces during World War II until we get them readjusted in our American economy and until we can give them the freedom and the rights that they were fighting for upon the battlefields of the world. This is one of the first steps in that direction, to give them a decent place in which to live. Good shelter? Yes. It is true that our country was ill-housed many, many years ago, and it has become increasingly worse every year by reason of a matter over which we had no control, World War II.

During the year 1925 we produced 937,000 residential housing units in the United States, the highest number which was ever produced before or since in this country. It was the only year that enough residential housing units were completed to take care of the actual demand. Since 1925 the number of residential housing units has been going down, down, down every year; and last year when public housing should have been adequate there were fewer than a quarter of a million residential housing units constructed in the United States of America. Therefore the problem that we had with us before the beginning of

World War II has become increasingly worse by reason of these problems over which we have no control.

I want to appeal to my Republican friends not to make this a political issue; it is too serious for that, it involves these men whom we voted to send to war; it involves their families; it involves a debt that we have to perform for these men and their families, and anything like that should transcend political lines in the House of Representatives or any other legislative body.

#### PRESIDENT TRUMAN'S PROGRAM

It is true that we shall have a difficult time producing enough houses within 2 years even to halfway satisfy the demand for these houses. But President Truman with the help of Mr. Wyatt has a program. That program calls for 2,700,000 houses during the years 1946 and 1947. The President of the United States is calling upon this Congress, pleading with this Congress to give him cooperation to the end that he can satisfy the homes and families of at least 2,700,000 veterans during this year and next, veterans who are now doubled up with their in-laws living the best they can. Do you not think we have a duty to perform in the matter?

You supported these appropriation bills that came before this House. You helped increase the national debt. You did the right thing by doing so. It was the only thing you could do. When we needed housing for war workers you voted unlimited amounts to build those houses for war workers. You voted public money to be used to guarantee mortgage loans that would enable a war worker at any time during the 4 years of this war to buy a home for a reasonable price. The laws that you passed helped to keep those prices down. If they wanted to rent a home the laws that we passed, the laws that you voted for, helped to keep the rental down, even if it required the expenditure of funds from the Public Treasury.

We did exactly right during those 4 years. We did exactly as we should have done. Now, when the war is over and these servicemen are coming back here at the rate of 30,000 a day, commencing soon after VJ-day, what is our duty toward these men who have been away 4 years, who have been on one or more of the 55 battle fronts of the world, who have been fighting the battles to save our country? Many of them have come back for the first time in 4 years. Do you not think we should give them preference and the opportunity for just 2 years to secure a home?

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, the passage of H. R. 4761 in its present form will, in effect, repeal title III of the GI bill of rights, which is the loan title. This is not a bill to aid the veterans, but, on the contrary, a bill that will hinder the veterans for the following reasons:

In 1944 this Congress passed the original GI bill of rights. Title III of that bill provided for loans to veterans with a guaranty up to \$2,000 and provided that these loans should be approved by the

Veterans' Administration. After that bill became law and the regulations were issued by the Veterans' Administration we discovered that two appraisals were required for each loan, one by the lender and one by an authorized appraiser of the Veterans' Administration. Regulations were issued by the Veterans' Administration running as high as 18 and 20 typewritten pages for 1 paragraph of the bill.

The result of that was confusion and chaos. The veteran was disillusioned, disheartened, disappointed, and after an attempt or two on the part of the veteran he gave up in disgust and no longer endeavored to take advantage of the loan provision of the GI bill. He had to pay for two appraisals, he had to wait from 8 days to 10 weeks to find out whether the loan was approved, there were more of these applications being turned down than approved because of red tape.

Following that, in 1945, the Committee on World War Veterans' Legislation presented to the Congress a bill, which was passed, to simplify in particular the loan title of the GI bill of rights and at the same time that bill raised the guaranty to \$4,000 and extended the period of time during which a loan for a farm had to be paid up to 40 years, on all others 25 years; and also provided for an automatic guaranty to the end that if the lender lent an amount not in excess of the appraised value fixed on the property by an authorized appraiser of the Veterans' Administration, the loan would be automatically guaranteed. Two appraisals were not necessary.

In that amendment we provided also a 90-day waiting period, a 90-day period during which loans under the original bill may be cleaned up in order to start on the new bill. That period has just about expired. They have already started making loans under the amended GI bill. It is meeting with great satisfaction and great approval from all over the country because at last we are making it possible for the veteran to get a home at not an excessive price, reserving to him all of the priorities.

Now look at the bill before you, on page 4, section 703 (a). What does it say?

The Director is authorized to require any person who deals in, sells, rents, or buys, or offers, to sell, rent, or buy, any housing accommodations—

Then it goes on and requires him to make reports and keep records, and so forth. Remember, the veteran is buying these homes with the money he gets through the loan under the GI bill. You have put him right under the provisions of this bill, and he will have to qualify with all of the red tape, all of the regulations, and all of the rules set up in this bill by the director before he will know whether or not he can get a property on which he can go to a lender and get a loan approved. By enacting this bill you are going further, however, than we did under the original GI bill of rights. You are loading up the veteran with more delay, more disillusionment, more discouragement and more red tape than he had under the original GI bill, which was such a failure and disappointment and which we have now corrected.

I want to say one thing more. I have given this bill very, very careful consideration. I cannot find a single word in it that provides that a single veteran will get a single home. What he will get is confusion and red tape. There is no provision in it that the Government will provide and build homes for the veterans at reasonable prices. All you are doing is destroying the GI bill of rights as far as the loan title is concerned, adding a lot of confusion and disillusionment to the veteran with additional red tape.

I say, if you want to aid the veteran, defeat this bill. If you want to hinder the veteran, vote for it.

Mr. BUFFETT. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I have taken this time to call to the attention of the committee an amendment which I propose to offer at the appropriate time. It appropriately should be called a small business or competitive enterprise amendment. It reads as follows:

(f) In order to achieve maximum production of materials suitable for use in the construction of housing accommodations the Director is authorized and directed to issue a directive on policy to the Price Administrator requiring the Price Administrator to establish within 60 days after the date on which this title becomes effective a maximum price with respect to each such material: *Provided*, That no maximum price shall be established or maintained with respect to any such material which (1) is below a price which will reflect to producers, manufacturers, wholesalers, distributors, jobbers, and retailers dealing in such material a fair and reasonable profit per unit, based on current costs, or (2) will reduce or result in the reduction of the dollar-and-cents trade discounts or dollar-and-cents mark-ups with respect to such material below the dollar-and-cents mark-ups with respect to such material below the dollar-and-cents discount or dollar-and-cents mark-ups applicable on January 1, 1945.

Mr. Chairman, this amendment is designed to give the small businessman in the building materials industry a fair chance to survive. Most Members of this House believe in small business. Most Members of this House believe in free competitive enterprise. This amendment, or an amendment of this type, is necessary if this House is going to prevent small business from being squeezed out of the building materials field.

This amendment would prevent price manipulation policies that are squeezing the little businessman out of the picture. If we want to get the houses built, we should give small business a chance to stay in the game.

The Members of this House do not want to see the business of the Nation concentrated in giant corporations. This amendment would be a constructive move toward preserving small business and a truly competitive enterprise system.

Mr. SMITH of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from Texas does not want this made a political issue. He should not have brought the bill out if he did not want that done, because the bill itself creates a political issue. The nature of the bill does that.

It does not take the Republican side to make this a political issue.

I intend to offer a substitute to the Wolcott amendment which, if adopted, will really do something to build more houses. This is a simple, straightforward amendment. It goes to the root of the matter, so far as this is possible under the existing circumstances.

It provides that the Director of War Mobilization and Reconversion be directed to prevent maximum prices being established or maintained in respect of building materials which result or are likely to result in discouraging the production, manufacture, or processing of building materials to be used in the building of homes.

It does not provide for creating any new agency. The task of carrying out the provisions of this act would be vested in the existing Director of War Mobilization and Reconversion. My amendment further provides that no duty or function imposed or conferred upon the Director may be transferred under the First War Powers Act, 1941, or otherwise, to any other office or agency of the United States.

Whenever any maximum price is established or maintained in respect of any building material needed in the building of homes at a price which discourages the production, manufacture, or processing of such material, the Director is authorized and directed to issue an order directed to the Office of Price Administration and to the Price Administrator requiring the maximum price to be raised so that it will no longer discourage the production, manufacture, or processing of such material.

The Director is specifically directed to take into consideration the need of granting wage or salary increases to permit—not to encourage, but to permit—free production, manufacture, or processing of such material.

My amendment specifically prohibits the use of subsidies.

This is a sensible American proposition I am asking you to consider. I cannot conceive a valid objection that can be offered to it. It does not remove price controls over materials that go into the construction of homes. It merely directs the Director of War Mobilization to prevent the OPA from placing ceilings on prices of these materials that are so low they cannot be produced. What is wrong with that? There cannot be anything wrong with it. It is the way and the only way to do this job and provide homes for veterans at the lowest possible cost.

It is the grossest delusion that the use of subsidies could benefit veterans or anybody else. Subsidies would have to come from Government printing-press money which would mean more inflation and hence higher costs of living. Subsidies are a subterfuge and only lead to more regimentation which means shackling still further production, thus speeding up the vicious cycle that is leading the Nation to ruin.

The Government already has all the powers required for giving priorities and allocations for building homes for veterans. There is nothing provided in the Patman bill in this respect that the



Government does not already have power to do.

I want to call the committee's attention in particular to the provision in my amendment which directs the Director to permit wages to rise wherever he thinks it necessary to permit production. This is a fair provision. The Government has not been impartial in its policy of permitting wages to rise. It has allowed them to rise in large industries but not in small ones, and the small ones are just as important in getting the economy going as the large ones.

It is true my amendment would give the Director of War Mobilization what would amount to dictatorial powers but in this instance his powers would be used not to choke the life out of the economy but remove Government shackles so that it may breathe and live again. If we have to have a dictator, and I don't say that we do, let us have one that will dictate the Nation back to free enterprise and not down the road toward communism.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I have been very much interested in the gentleman's remarks. May I call his attention and the attention of the House to a statement which appeared in the Wall Street Journal of yesterday relative to the ceiling prices on finished flooring, which I mentioned in debate yesterday when I told how the ceiling price of finished tongue-and-groove flooring had been fixed at a lower level than the ceiling price on the rough lumber from which the flooring was manufactured. On the same day the Wall Street Journal carried a story from Washington saying that the retailers will absorb the 10 percent rise in mill price ceilings granted on flooring. This increase in the ceiling prices on flooring has been granted suddenly by the Office of Price Administration after the matter had been discussed in the Committee on Rules and after there had been an attempt for seven long months by the industry to get such a price increase.

RETAILERS WILL ABSORB 10 PERCENT RISE IN MILL PRICE CEILINGS ON FLOORINGS

WASHINGTON.—Retail ceiling prices on several types of flooring must be computed on the basis of producers' ceilings last December 1, the Office of Price Administration announced.

By requiring retail redistribution yards to set their prices on last December mill ceilings, which were 10 percent lower than current ceilings, the OPA is demanding full absorption by retailers. Wholesalers may compute their ceilings on the basis of the adjusted mill prices.

The flooring items affected by the 10 percent mill price increase are: Oak and pecan, and hardwood of miscellaneous species cut in the southern, south central, and Appalachian hardwood regions.

Southern retailers were permitted by the OPA to increase their mark-ups on these flooring items by an additional 5 percent.

Mr. BARDEN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I must confess I am a rather disappointed man today. I rushed back, traveled all night to get here for

the purpose of voting for the veterans' housing bill. I asked for a copy of the bill this a. m. and they brought me this H. R. 4761. After looking through it, I said, "Certainly that cannot be the bill." But it so happens that it is. The first few pages of this bill simply set up about the most high-powered bureau I have ever seen in my life. Much of it is duplication. I hope the gentleman from Kentucky or the gentleman from Texas will correct me if I am wrong.

Mr. PATMAN. Mr. Chairman, will the gentleman yield for a question?

Mr. BARDEN. Yes; I am glad to yield to the gentleman for a question or for any information that anybody can give me so that I can get some little encouragement on this proposition.

Mr. PATMAN. We have worked on this bill for 3 months. I do not see how the gentleman could come back here last night or this morning and just pick up the bill and find out so much about it. I recognize he is a man of great ability and I personally have great respect for him.

Mr. BARDEN. Let me tell you I have seen a lot of people work for 6 months on something that I could read in 5 minutes and understand it, and I must confess I am not so sure I understand this. I do not understand why there should be this duplication of power which the rent-control department of the OPA has right now. That is piling bureaucracy upon bureaucracy. May I say to the gentleman right now, and I think the gentleman knows it just as well as I do, that the big obstacle today is not the lack of legislation such as this, but it is the production of building materials.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. MAY. When I was down home last week I saw the beginning of a real-estate inflation. This bill starts out and declares a policy of preventing that inflation in real estate. Can the gentleman tell me what provision of this bill will do that?

Mr. BARDEN. That is the \$64 question. Frankly, our sawmills all over the country are shutting down.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield briefly.

Mr. BROOKS. In Louisiana just the other day the Tremont Lumber Co. closed down and gave as its reason the fact that the price control was such that it could not operate. That mill normally produces 30,000,000 board feet of lumber a year. I brought that to Mr. Bowles' attention and I got a report from him. He says he does not know why the mill closed down. But the fact is we are short now 30,000,000 board feet of lumber.

Mr. BARDEN. Why, I am sure that is true. The largest lumber mill in the State of North Carolina is within a half mile of my home and it has not cut a board since January 1.

Mr. PATMAN. Mr. Chairman, will the gentleman yield for a question?

Mr. BARDEN. I am glad to yield to the gentleman.

Mr. PATMAN. There will be an amendment offered which will be for the purpose of breaking just such bottlenecks

as have been mentioned by the gentleman.

Mr. BARDEN. Well, then, I say let us give that amendment the title of this bill and pass the amendment.

Mr. PATMAN. The subject of the amendment is contained in the original bill, I will say to the gentleman. I hope the gentleman will not commit himself against it because I think when he finds out all about it he is going to be for it because he will find that it will help building and will channel lumber into the most deserving hands.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield for a question?

Mr. BARDEN. I yield.

Mr. BROWN of Georgia. Does the gentleman from Texas refer to the provision which appeared in the original Patman bill?

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. PATMAN. I refer to the amendment which will be offered by the gentleman from Oklahoma [Mr. MONROE], which will provide for a premium payment plan, the kind that our Republican friends have always supported to help production. They have always supported production subsidies.

Mr. BROWN of Georgia. Mr. Chairman, I ask unanimous consent that the gentleman from North Carolina may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. BROWN of Georgia. I am glad to hear the gentleman from Texas [Mr. PATMAN] state that the gentleman from Oklahoma [Mr. MONROE] will offer an amendment called a premium amendment, but the gentleman will remember he said previous to that that this same amendment was in the bill, the one that was voted out of the committee.

Mr. BARDEN. I am sorry I am not familiar with what took place in the committee.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I want to be generous with my time—

Mr. PATMAN. In justice to me, will the gentleman yield? I assure him I will not ask any more.

Mr. BARDEN. If the gentleman will make it brief.

Mr. PATMAN. I intended to say that the subject matter of that amendment was contained in this bill, and I reiterate that; it is. I insist on it.

Mr. BARDEN. In all seriousness, I want to say that my people are just as anxious to be of assistance to the veterans as any people in America, but I am not going to be a party to fooling my veterans. I am not going to take this well and shout out in strong language, "Are you against helping the veterans?" until I have something that I think is genuinely of assistance and is sound. The average veteran is going to think of this—they are not thoughtless fellows,

you know. They are going to think of this, when you start your subsidies; that is, that they know they are going to eventually have to pay the bill.

When I read of all this power and authority, about their coming in and inspecting my house, and inspecting your house, there are enough folks running around my house now. Frankly, a fellow could take the power contained in the first four or five pages of this bill and do just about anything he wanted to, and then issue a directive against another governmental agency and make them do it too.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield.

Miss SUMNER of Illinois. The gentleman knows that every business that has had OPA ceilings has had a terrible time trying to get justice, trying to get ceilings that would cover the cost. Does the gentleman think it is fair to the veteran to put an OPA ceiling over their house and make them try to get cost, when nobody else does from OPA?

Mr. BARDEN. I will say this. I have at times been critical of the OPA, and I find it necessary sometimes to be so now. At the same time I think it certainly is not without some virtue, and it has rendered a great service in a very distressing time. But I think they can carry it to the point of being an absurdity. The OPA now is struggling for existence. I want it to get along and operate normally, but certainly I am not anxious for it to grow very much. I would like to trim it down a little.

Frankly, I am serious about this. I will ask the gentleman from Texas this question: Have not virtually all the powers in the first two or three pages of this bill already been granted to the OPA?

Mr. PATMAN. No, not necessarily.

Mr. BARDEN. Well, I do not want any "No, not necessarily." I want to know if they have been granted.

Mr. PATMAN. I cannot answer the gentleman categorically. It requires some explanation. In the Second War Powers Act I think the President has practically all the powers which he has delegated to the present Expediter, Mr. Wyatt, contained in this particular bill, but those powers expire on June 30. You cannot carry out a 2-year program to build 2,700,000 houses in just a few months.

Mr. BARDEN. I think I get the gentleman's trend on that.

Would the gentleman just cite me the housing section in this bill where you are going to help with the housing?

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. What section is that?

Mr. PATMAN. No. 1 is barring further use of materials for the construction of theaters, honky-tonks, and race tracks, and compelling them to use that material to build residential housing units for veterans. That is No. 1.

Mr. BARDEN. I do not know which is the worst, trying to build a honky-tonk or trying to get one of these things through a bureau in Washington. We want to make it easier.

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mr. CARLSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have followed the debate on this housing legislation very closely. Everyone agrees that the housing shortage is concrete and real and, therefore, should respond to a program that is sound and practical. Millions of our boys are returning from foreign battlefields and are in need of houses. The American home is one of the most sacred institutions of the country. It is one of the bulwarks of democracy. I contend it is a moral and sacred obligation on the part of all of us to assist these returning veterans in every way we can to secure housing facilities.

On the other hand, this problem will not be solved by demagogic statements and emotional appeals. I think it will respond to a practical, common-sense program which will provide lumber, cement, bricks, hardware, and other building material.

The pending Patman bill would place the control of these materials in the hands of an expeditor or housing czar. It would be a complete regimentation of every phase of our construction industry.

This expeditor would have control over the allocation of materials for flood control, highways, and other essential building programs that are of great concern to the veterans, as well as every other citizen. If you want regimentation and bureaucratic control which smacks of dictatorship, then the proposed bill should meet every requirement. It is my contention that we do not need Government action to stop the housing shortage. What we do need is to abolish the impractical, ill-conceived bureaucratic restrictions of the OPA and our housing program will be on its way.

On January 15 a CPA news release stated that 80 percent of the southern pine lumber produced was going black market. Those intimately concerned with the lumber business felt that this was a fair if conservative estimate. This means that today mills willing to take a chance are shipping lumber at black-market prices which the home builder is ultimately going to pay while production will remain low because relatively few mills will take this chance. However, if OPA would recognize the situation and adjust their prices to approximate the cost of present small black-market production we would immediately see the beginning of tremendous legitimate production which would go far to relieve the bottleneck which is denying home construction today.

Not only is there a black market in the lumber industry, but the present price ceilings are such that it is impossible to secure any type of lumber needed for building. For instance, the OPA allows only \$3 per thousand for sawing a 3-inch plank into two more boards for sheathing. The cost is normally about \$7.50 per thousand, so the mills make dimension lumber instead of boards. Under these circumstances it is, of course, impossible to get the type of lumber needed for construction of houses.

Following are some reasons why we do not get needed lumber:

The fir lumber mills are permitted to charge from two and one-half to six times as much for rough green ship decking as they can charge us for 1 by 4 to 1 by 12 common boards, or 2-inch framing material for housing purposes. There are still 650,000 people employed in shipyards in this country.

One-inch rough green boards may be sold for railroad cars at 25 to 80 percent more than the mills may charge us for No. 1 common boards and framing lumber for housing purposes.

Rough green clear timbers, 12 by 12, may be sold at the mills at 15 to 50 percent more than they may charge us for B and better top-grade kiln-dried flooring and siding.

During the debate there has been considerable discussion about the exports of lumber and the usual stock answer is that we export only a negligible amount of lumber and import much more. Regardless of that, we are anticipating an export of about 1,000,000,000 feet of lumber this year, and that would construct a large number of houses.

My attention has just been called to an article on page 3 of the Daily News, Los Angeles, Calif., Monday, January 28, 1946, of a yard in Mexicali, Mexico. This yard is brim full of lumber, even in the driveways the lumber is piled high. In Mexicali there is a building boom, residential as well as commercial. This paper states that Mexicali has grown, in 4 years' time, from a city of 12,000 population to a city of 35,000 population, and has managed, despite ever-rising inflationary conditions, to keep its residential and commercial building from lagging too far behind.

Across the border from Mexicali is the picture of another lumber yard, in Calexico, Calif. The Calexico yard is apparently bare. It is unable to stock one-tenth of the lumber stocked by the yard just across the border in Mexicali. Obviously there is a reason for this, and in my opinion the reason is the bungling OPA policies.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. CARLSON. I yield to the gentleman from California.

Mr. HINSHAW. The only thing that separates those two lines is an international fence and the laws and regulations of our country.

Mr. CARLSON. There is no question about that.

There is another matter I want to discuss before closing, and that is subsidies. Most everyone must agree that money and credit are not the problem in home construction. In fact, both of these are available in every community in the Nation. Therefore, it seems most absurd to suggest a subsidy for houses. Those who argue vociferously in favor of subsidies are the same people who contend to be greatly concerned about inflation. After all, what does bring about inflation faster than a program of subsidies? At the present time we are taking money out of the Federal Treasury to assist the people in paying for their own grocery bills. Now it is suggested that



we do it for homes. This may be a sound program to some but it is not the type of economics I learned in the schools I attended. If we enter into a program of subsidies for the building of houses it will be natural that we establish a large number of fly-by-night prefabricating plants in the country that will flood the Nation with cheap, poorly constructed homes that will have no lasting value. We will saddle the cost on the veterans and in the long run will not be doing them a service. In fact, it will be a disservice.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. CARLSON. I yield to the gentleman from New York.

Mr. BARRY. In my part of the country and in most parts of the country with which I am familiar the price of new homes today and old homes is far out of range of the pocketbook of the veteran or at least the great majority of the veterans. Will the gentleman tell me how by lifting the ceiling prices and increasing the price of materials we are going to put those homes within the range of the veteran's pocketbook?

Mr. CARLSON. I do not know how you are going to put them in the price range of the veteran's pocketbook, but I do know if you take off these ceiling restrictions it will get homes in this country and that is what we need. We can make other provisions for aiding the veteran in home purchases.

Let us use some common sense in working out this program by getting our construction program started through the increased production of every type of material. We have the money, the credit, labor, and all we lack is a little common-sense thinking.

Mr. Chairman, I am including three letters received from citizens in my district regarding the pending legislation:

HOLYROOD RURAL HIGH SCHOOL,  
Holyrood, Kans., February 17, 1946.

Hon. FRANK CARLSON,  
Representative, Washington, D. C.

HONORABLE SIR: I have been reading a protest by you over the lumber situation and the shipping of the same from this country. Why cannot something be done about the situation? Yes; all of this ballyhoo about 2,000,000 homes is in a large measure just another expenditure for the taxpayer. These homes are not permanent and will not satisfy or justify the expenditure. The Government will underwrite the cost of these units and in a large measure they will be paid for by the average citizen through taxes. Why must we send lumber abroad when it is needed so badly at home? Mass production of homes will stiffen labor problems throughout the country and the cost of prefabrication will be largely centralized in another section of the country. This does not make for economic adjustment in any State or in any part of a State.

Note what has happened to the average small contractor throughout the country. He was not large enough to take a Government contract on building of war camps. He suffered. Now materials have deprived him of a chance again to make an honest living. Now with a new restriction on, he must get a 4-H rating and build for a problematic GI in order to live. Tell me just why we cannot have free enterprise and materials with which to build. We cannot buy brick

for construction without a priority rating. Why?

We cannot buy inch stock or boards for building. Why? The OPA allows only \$3 per thousand for sawing a 3-inch plank into two more boards for sheathing. The cost is normally about \$7.50 per thousand. So the mills make dimension lumber instead of boards. Contractors on the west coast have purchased about 60 percent of small mills to have a source of supply. They can make their own boards. Where is the OPA? I was expeditor during the building of Smoky Hill base and the lumber purchased for this project averaged \$55 and now the same dealers get \$80 in Salina for an inferior lumber. Tell me why? If some of the situations are not corrected soon, I predict a disaster that will make the depression of 1931-40 look like a schoolboy's holiday.

Yes, I read Time. I could say as much about the article on cotton. I have tried for more than a year for some new shirts. The picture is not a pleasant one. I am still looking for shirts. Well, keep up the fight, we may be a long way from winning the peace.

Respectfully,

LEN HARDEN.

GEORGE M. BEAVER LUMBER CO.,  
Colby, Kans., February 11, 1946.

Hon. ARTHUR CAPPER, Senator,

Hon. FRANK CARLSON, Congressman,

Washington, D. C.

GENTLEMEN: Wish to insert part of a letter written by a wholesale lumber dealer. In part it says:

"The situation is very bad, but really looks worse than it is. The problem is an OPA problem all around and if somebody can dynamite the OPA office, some lumber might start coming down the 'crick.' The men who can make rough timbers and plank won't take orders so long as OPA is threatening to reduce rough prices. They want to see the price schedule before they go ahead. OPA might put it so low they'll want to shut down. On the other hand, they won't take orders for rough boards and dimensions so long as a 12 by 12 is more profitable than a 2 by 4. Right now the problem is 100 percent the problem of OPA trying to run the industry and falling down at it."

That, gentlemen, is the whole story. As long as this exists, the small businessman, like myself, just as well fold up as we depend wholly upon the wholesaler to secure lumber for us and as long as they cannot add a little commission for their troubles, no inducement for them to try and buy lumber for their customers. I do hope Congress will do something about this.

Yours very truly,

GEORGE M. BEAVER.

GEORGE D. TUBBS LUMBER CO.,  
Norton, Kans., February 26, 1946.

The Honorable FRANK CARLSON,

House of Representatives,

Washington, D. C.

DEAR MR. CARLSON: I wired you last night as follows: "If Patman bill H. R. 4761 includes subsidies to manufacturers of building materials or prefabricators it will actually curtail production and work against needed housing for veterans. Industry needs and wants relief from the stringencies of OPA, not subsidies and priorities. I speak from experience. Trust you will oppose such legislation." I am sorry that I did not know sooner that this bill was, with a proposed amendment, about to be brought onto the floor of the House today, for I would have liked to have written you a long letter in regard to it. I, as you know, have spent many years in the retail lumber business. Have been in close touch with the manufacturing end, as well as having a lot of experience with the actual construction of housing. I

speak from actual experience when I say that the lumber business is today in by far the worst condition I have ever seen it, and instead of getting better it grows daily worse. A lot of legislation that is now being urged in the name of help to ease the housing shortage, help the returning veterans to find a home, etc., will, if adopted, not only fail to help these things, but will actually work against the very things they are supposed to help.

Business as a whole has always done a pretty good job of taking care of things if given a chance, but it looks as if some in power are determined to have more regimentation and control of private industry instead of letting things get back to normal.

In this community, and in about a' others with which I am familiar, the building of homes would outstrip the market for same in a short time if we could only get materials. Money and credit are not the problem. Either are easy to get. In fact, there is too much money and too much credit in most communities for the ultimate good of things in general, but you can't build houses for returning veterans if the only things you have to work with are money, credit, subsidies, and priorities. It takes material to build homes.

I wonder who it is that has helped to build up communities such as ours. Is it the retail lumbermen and the local contractors or is it the prefabricating companies located on the coast? Why is such an extreme effort being made to get materials into the hands of the prefabricator and even give him a subsidy and guarantee him a market for his prefabricated house when nothing is being done to get materials into the hands of those who could and would build better homes if materials were available? I might call your attention to the prefabricated farm structures, such as granaries, etc., which were built during the war. The same racket was used then, only it wasn't as bad as the one proposed at present. Prefabricating outfits were given priorities to get materials. They built granaries from the poorest material possible, the workmanship was worse, the designing of the buildings was anything but good, the finished product was not what the farmer wanted, and the price was higher than it would cost him to build from regular materials had they been available, but instead of doing something to make them available and channel them into regular sources of distribution they were handled the other way, with the result that many of them are still unsold throughout the country and a large majority of those that were purchased by farmers are now the poorest thing in the way of equipment he has on his farm.

The same thing is and will be true of prefabricated houses. When the time which is consumed in making them up is taken into consideration and added to the time it takes to erect them, nothing is saved along that line. The material used will not be as good. The cost to the veteran or other customer is more, the design is not as good, and the house is not as practical.

Why not do something to help the legitimate manufacturer of materials by taking the OPA off from his neck? Why not do something to stop this black market in lumber, which they all know exists, and which keeps honest people from getting materials? Subsidies and priorities are not the answer. They are not needed. All the industry needs is a chance to get materials. Give them that and the housing program will take care of itself in a short time. Priorities Regulation No. 33 has only disrupted the normal flow of lumber. I hope you will do your best to see that production is not further curtailed by the adoption of more legislation along these lines.

Very truly yours,

GEORGE D. TUBBS.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. MURDOCK. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. MURDOCK. Mr. Chairman, while trying to keep an open mind with regard to the two bills before us at this time, I want to direct my attention and urge yours to another matter which is desperately critical. My friend from Minnesota said here earlier today that we have been fed up with a lot of emergencies. He seemed to be playing down the fact that there is an emergency. Perhaps I have not quite quoted him correctly, but, anyway, it is called to our attention that we are now in an emergency—another emergency. Now, I cannot make light of this emergency of lack of veteran's housing, and no Member of the House may minimize the emergency which exists right now. We are indeed in an emergency.

Mr. Chairman, if it had come to our attention in the midst of the recent war that an army of this country on foreign soil was without food or ammunition, would we not call that an emergency? Certainly we would. Today these men are home, and thousands are without dwelling places. I am getting letters from men in Phoenix, Ariz., making certain startling observations. I have received several letters within the last few days from Arizona from a veteran of the First World War, a man in whose judgment I have confidence, and his statements disturb me greatly.

What does he tell me? He tells me that out of the 30,000 veterans returning to this country from abroad every day, 200 of them are coming daily to Phoenix, Ariz. Where can they go? Dwellings cannot be rented nor built. Where can they go? No doubt that situation is typical.

Mr. Chairman, I want to drive home this point: Think what it means. Two hundred of the veterans of this war are coming to Phoenix, Ariz., every day; and this has been the case for some time. This friend of mine, a veteran of the First World War, a man interested in veterans, said that he took a drive out into the country just recently and on that drive he picked up 15 ex-servicemen to ride a portion of the way. About two-thirds of those men were not Arizona people. They had come to Arizona from other States. Every one of them was living on the \$20 compensation which he gets. Not one of them had found a place in which to live in Arizona. He says they are bitter. I do not know how many of them found employment, but they cannot find a place in which to live. No doubt if they move on they will find similar conditions elsewhere.

This same keen and sympathetic Arizona observer cries out against the high and rising cost of living, as the line has been very inadequately held to his knowledge. He says that he himself has seen, and that many returning veterans bitterly complain of, large buildings going up in Phoenix with apparently sufficient materials, whereas veterans cannot buy a shingle for a home. He declares that these angry and disillusioned young men are demanding to know why these things

are so. Are these conditions what we promised them?

I listened to what my colleague from Iowa, PAUL CUNNINGHAM, said concerning our extended and liberalized GI bill of rights. I know the splendid part he played in shaping that desirable and necessary legislation, and I know his sincere interest which prompted his great heart to work for liberal and generous provisions for those veterans who were fortunate enough to return. I have the same interest in them as I know he has, but I have less opportunity to give expression to it in the shaping of veteran legislation. But this is the question in my mind:

If we remove controls and price ceilings as some are advocating and let the law of supply and demand operate, will not the cost of building run so high that even the latest and more generous provisions of the GI bill of rights be entirely inadequate for the average veteran to make a beginning on obtaining a home? If the cost of the most humble sort of dwelling is to run up to eight or ten thousand dollars, and the chances are that under the operation of supply and demand it would run far beyond that, how would the latest and most generous version of the GI bill of rights help in that situation? Are we willing to again modify the loan provisions of the GI bill and double or treble its home-owning benefits? If we are not willing to do that, I can see in the proposals made here by some of the opponents of the Patman bill, the enactment of a different kind of legislation which will indeed result in building homes but they will not be homes for veterans. Rather they will be pretentious and expensive homes for the war profiteers who have made their pile while the soldiers fought and died and who now after the war are enabled to get their building construction through action of this Government done in the name, and for the cause of, those same veterans. Is this the type of legislation that business is demanding and the Nation wants? I can see more than one way this situation could prove a mockery to veterans.

The compensation we are paying veterans is not adequate with rising prices. How can they buy homes? I want to tell you that jobs and homes for these men who are coming back constitute as great an emergency as this country has ever faced, even in war. Neither industry nor Government has done enough to meet it. I hope we can meet this emergency by the right kind of legislation. If this bill is not the right kind of legislation, for God's sake let us get the right kind of legislation and get it quickly.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. MURRAY of Wisconsin. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, 2 years ago I remember that we had many tears shed about whether they were going to vote the soldiers or let the soldiers vote. But I had not seen anyone worrying much about it before they went to war and I have not seen anyone worrying much whether or not they are going to allow

them to vote in the various States since their return. Surely, we can get into an emergency and we can get into a mess and I have come to the conclusion that the present administration is in both of them most of the time. They get into most of them themselves. Why have not they allowed homes to be built these many months?

I have a little town in my district. They have considerable timber and lumber in the community. We do not use all of the land for producing milk. I have a man that wants to start up in the lumber business in this little town of around 800 people. What reason do you suppose the OPA gives for not letting him go into the lumber business? The OPA will not let him go into the business to sell lumber that he gets from a company because he happens to have an interest in the lumber company. He cannot buy lumber from that company. If a veteran in that community wants to build a house, he surely is not going to get any lumber from that particular company, because they tell him he could not buy from this would-be retail lumber dealer. A veteran cannot obtain lumber to build a home from this man. These people up there who have to repair their buildings and build milk houses to take care of their products out in the country when it is 10° and 15° below zero do not need the OPA to tell them what to do with their lumber. The war is over. If you want people to have houses and be in a position to repair farm buildings, you should not put a lot of restrictions in there that I do not believe this Congress or any other Congress ever intended to be in any act.

This man who wants to go into the lumber business is a prominent man, chairman of the county board of his county, a man who is looked upon very highly in his community. They will let him sell cement, and so forth, but he just cannot get lumber. I would just like to have someone tell me how a veteran in that community is going to build a house, even if the lumber is piled up all over the town. Somebody in Washington tells him he thinks it ought to be sent somewhere else to build a theater or something of that kind, I suppose.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Michigan.

Mr. CRAWFORD. The gentleman has referred to lumber for farm buildings and repairs to farm buildings. I think it may be admitted here in debate that unless we amend this bill before us on page 11, lines 15 and 24, to provide for repairs and construction of essential farm buildings, that the Administrator can freeze out of operation such construction. So when the time comes and that amendment is offered by me, I hope the gentleman will support it so that the farmers will have the opportunity to purchase this material.

Mr. MURRAY of Wisconsin. I thank the gentleman. I will support his amendment. I would like to support an amendment that would let a man furnish lumber to the citizens of the community. I would like to ask the gentleman from Michigan [Mr. CRAWFORD], the



member of the committee, if he knows of any legislation that has been passed that the OPA can tell a man that he cannot be in the lumber business because he happens to have an interest in a wholesale lumber institution.

Mr. CRAWFORD. I sincerely believe that under the Stabilization Act and the War Powers Act and the OPA Act, all of which are still working, that OPA has authority to prevent this man to which the gentleman refers from purchasing lumber from the company in which he is interested, and processing that lumber and putting it in the market in that community. I think they have the power to do it.

Mr. MURRAY of Wisconsin. Regardless of the needs of the people in the community?

Mr. CRAWFORD. Yes.

Mr. MURRAY of Wisconsin. We better be getting the Government back to the people.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from California.

Mr. HINSHAW. I cannot make this as a personal statement, but the gentleman from New York [Mr. TABER], told me earlier this afternoon that there still remains in effect what is known as MPR 26 which was promulgated for the purpose of channeling lumber into the heavy lumber use of the Navy and the Army, and that for 6 months since VJ-day that has still been in effect, and consequently the production of lumber for use in building houses is practically at a standstill. For goodness sake, if they want to build houses, why do they not lift MPR 26 and have it removed?

Mr. MURRAY of Wisconsin. I thank the gentleman. I would like to see some lumber channeled to the rural areas for the use of veterans, would-be home builders, and farmers.

Mr. CRAWFORD. Mr. Chairman, if the gentleman will yield further on that point, if, under MPR 26 they place a ceiling, we will say, of \$75 per 1,000 board feet, of the type referred to by the gentleman from Ohio [Mr. Brown] and then set a price of \$40 per 1,000 board feet on flooring made out of that lumber which cost \$75 per 1,000 board feet, you can see what it does in preventing the production of flooring.

Mr. MURRAY. This situation is not surprising. Old cars even will soon be selling for more than new ones.

Mr. BARRY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it amuses me to see Members from the Farm Belt get up here in succession and talk about subsidies, as though they were something new in the American form of government. I remember in the years before the war when farm prices were low, and time and time again the House voted parity payments. If they are not a subsidy I do not know what a subsidy is. I also remember voting for soil conservation and other incentive payments.

The problem that faces the veteran today is just as serious as the problem that faced the farmers 4, 5, 6, and 7 years ago. There is much talk about the OPA. The records reveal that the average

farm-commodity price was about 85 percent of parity before we got into this war. Since that time their production has increased from 25 to 35 percent, by the hard work of the farmers and in spite of the shortage of labor. Farm prices have increased from about 85 percent of parity to 117 or 118 percent of parity, a figure which represents approximately a 50 percent increase. That was under the OPA.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BARRY. I yield to the gentleman from Illinois.

Miss SUMNER of Illinois. They held our production down. They would not let us produce.

Mr. BARRY. With the great shortage of labor we had during the war, I should like to know how any production was held down. It just does not make sense.

Maybe this is not a bill to cure this problem, but I tell you here today, and you will find it is true, that unless we subsidize the veterans somehow, whether in this way of payments to builders, or giving the veterans a down payment—we are going to subsidize the veterans today or tomorrow or a year from now or the veterans coming back will not have homes.

When you recognize what is going on all over the world, the left wing, Socialist, communistic swing in Europe and Asia and in countries like England and France, it gives us something to think about, even when you watch the Gallup poll in this country, which reveals that Henry Wallace is runner-up to Truman and that Harold Stassen is runner-up to Dewey, you find there is a distinct left-wing swing in this Nation. Do not kid yourselves. If we have millions of veterans piled up with their in-laws, their friends, their relatives, breaking down their morale, we are going to have a very definitely increased left-wing trend in this country very shortly. This is not a light or simple problem. I say again this bill may not be the cure-all bill for it, but we are going to face that problem and soon in another bill if we do not pass this one.

In my part of the country, and I know it prevails in Chicago, Philadelphia, Boston, and Los Angeles, 90 percent of the veterans cannot pay \$8,000, \$9,000, or \$10,000 for a home. If we eliminate the OPA certainly that will not lower these prices. Increased production will not lower these prices for at least 3 or 4 years. We cannot stand by and see millions of veterans piled up with in-laws and other people during that period.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BARRY. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. Does the gentleman know that the payment of subsidies in the European countries has been one of the greatest forces to produce communism?

Mr. BARRY. I know that subsidies are in the direction of socialism—I do not know about communism—but we have been doing that through the emergency. Before the war the farmers have received subsidies, and the gentleman has voted for them, and they will receive subsidies in the future if their prices fall.

Mr. SMITH of Ohio. Let me explain this to the gentleman. Subsidies are created by Government printing-press money. There is your trouble.

Mr. BARRY. I refuse to yield further. I understand the gentleman's theory on that score. Subsidies are not desirable but there are things that are less desirable. I do not want to see a march on Washington of millions of veterans and their wives and children and mothers demanding shelter. They have been away 3 or 4 years while everybody in this country with the exception of the white-collar class made money—the manufacturer, the farmer, organized labor, all made money. If we produce these houses at a high price, the veterans will not be able to buy them. They will be bought by organized labor's workers, or people who have saved money while they fought, such as manufacturers or people in business. Under the OPA in the last few years there have been fewer business failures in these United States than ever before in its history. Those are the figures of Dun and Bradstreet and not of the OPA.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, it is about 650 years ago that the old English poet, Geoffrey Chaucer, said:

Thou shalt make castles then in Spain, and dream of joy all but in vain.

Now you can make an air castle in Spain out of a daydream but you cannot build a house for a veteran out of anything quite so tenuous and quite so flimsy. It requires materials. Let us consult then a high administrative official of Government and see what the score is. Let us rely, not upon a newspaper clipping, not upon hearsay, but upon the man who is charged with the responsibility at this moment of providing for materials. His name is J. D. Small and he is the Administrator of the CPA. The letters CPA do not stand for certified public accountant. They stand for the Civilian Production Administration.

On the 6th day of February 1946, Mr. Small appeared before the Subcommittee on Deficiencies of the Committee on Appropriations. I read to you from his testimony recorded on page 23 of the hearings:

The bottleneck today on construction is basic construction material, such as cast-iron pipe, clay products of all kinds, clay sewer pipe, and things of that kind.

Who said that? Mr. J. D. Small, who is invested with the authority to carry on where the War Production Board left off and he exercises the power to allocate materials today.

On page 28, to continue with Mr. Small, he said:

Well, to use a typical example, take cast-iron soil pipe. As I said here today earlier,

before the war there were 52 foundries producing approximately 50,000 tons a month. That dropped to 28 foundries making 12,000 tons a month. We are desperately short of soil pipe. If we had 50,000 tons a month, we could cover the present program. Out of 52 foundries, only 28 are operating. One of the reasons is lack of manpower; one of the reasons for that is low wages; and one of the reasons for that is they cannot afford to pay more. I went to the OPA and told them we had to have an increase on cast-iron soil pipe. After some delay, they gave one of \$3 a ton.

Then, on page 29, the gentleman from Massachusetts [Mr. WIGGLESWORTH] asked this question:

Have you had success in achieving a reasonable increase in the price ceilings of building materials to date?

Mr. SMALL. I would say, Congressman, that we have had some success in it, but it has been a pretty tough struggle to get the increases through, and they have been pretty meager.

He is the man who allocates housing materials today. He is the man who has been charged by the President of the United States with the responsibility to allocate building materials. So do not rely upon newspaper stories and clippings. Rely upon the man appointed by President Truman, who says it is tough to get even meager results; that if he could get results these materials that constitute, in his language, the bottleneck of the building industry, would begin to flow. You are not going to build houses for veterans of the stuff out of which air castles in Spain are built. You will build them out of gypsum, plaster, lime, cement, lumber, and all the rest of the things that enter into that picture.

Now, it is said there ought to be subsidies. Let me answer the gentleman from New York [Mr. BARRY] and particularly the question he addressed to the gentleman from Kansas [Mr. CARLSON] a moment ago. He says, "In that spread, how are you going to get houses at a moderate price unless you subsidize?" Let us look at it. It is only a year ago that the particular agency that operates the basic act to which this is an amendment, made a survey of housing in the country. Do you know what they found on all housing? They found that the proportion of materials that goes into housing in the average was approximately 45.7 percent of total cost. Multiply it out on a \$6,000 house and what is it? It is around \$2,700 plus. Suppose you give material manufacturers a 10-percent increase in the basic material in a house where the building material is only 46 percent, and what is the increase? Roughly, about \$150. You go along with this subsidy proposal, and you fly like a blunderbuss over the whole building industry of the country, and you will not come out under \$200 per house or perhaps \$300 per house. Yet here is Mr. J. B. Small, Administrator of Civilian Production, who allocates and dispenses priorities, who is the administrator of the HHH orders, or whatever they are, who says he has been trying to get an increase in prices in order to get a flow of the basic materials that build housing, and "the results have been very meager."

Why talk about a housing bill unless there is a provision for production of material, first of all? You will not find it in this bill, except one and one-half lines in the declaratory statement in section 1. Look at the power that is given to the Director of Stabilization in this bill. It gives him the power to allocate materials that are already short, but not to add to the supply of material. There should have been written here the power to allocate materials for the production of machinery with which to produce goods and commodities and materials that go into housing.

I am just as much interested in housing for veterans as anybody, but you are not going to build them out of dreams. And let us not kid them. Look at some of the serious implications here. If you do it too fast, if you try to get too much of this program of 2,700,000 units in 2 years, what will happen? Do you want to foist upon an ex-serviceman a house built with green lumber and have him put on it a mortgage of five or six or seven thousand dollars, only to find that 2 years later he will be able to put a brawny fist right through the side or the corner? If you try to expedite in that fashion, look out. I would rather follow the people who have had skill and talent in the business of producing building materials, and give the veteran a show for the little equity he will have in one of these houses.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes; I yield.

Mr. PATMAN. May I invite the gentleman's attention to the fact that in section 705 of this bill facilities for construction and building may be allocated.

Mr. DIRKSEN. I am sorry to say I do not share with my friend from Texas the view as he interprets that word "facilities" in connection with the rest of the context, that it will have very much to do with the business of producing material out of which these houses are expected to be built.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. BARRY. Does the gentleman contend that under a policy of laissez faire the veteran will get any houses in the next couple of years that they can buy?

Mr. DIRKSEN. Definitely not; but I want to help.

Mr. BARRY. How will you help?

Mr. DIRKSEN. First of all, go back to the original source of our difficulty, as expressed, not by a Member of this House by the name of DIRKSEN but by a man who is a successful businessman, who was selected by the President of the United States to break the bottleneck on material, in the hope that out of it there would be an acceleration of industry that would build houses. Now he goes right back to OPA in connection with soil pipe and other basic materials and he said that if they had given the proper increase of \$10 a ton that would have made a difference of \$5 or \$6 in a single house, but they would never have to worry about any rainstorms.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. BARRY. Does the gentleman advocate then that this whole situation is going to be cured by merely raising the price of building materials?

Mr. DIRKSEN. No; but I think this bill ought to have a lot more consideration than has been given it. We have not heard enough from people who know something about it.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. MARTIN of Massachusetts. Mr. Chairman, I ask unanimous consent that the gentleman from Illinois may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BARRY. Mr. Chairman, will the gentleman yield further?

Mr. DIRKSEN. I yield.

Mr. BARRY. I am trying to find out—and I have great esteem for the gentleman from Illinois—I am trying to find out if he does not like this program, what he would advocate in place of it other than raising the price of materials?

Mr. DIRKSEN. Let me answer that by asking the gentleman this question: How many people who are skilled in the building industry who must do this work came before your committee and spelled out some of the practical difficulties that are involved? How many?

Mr. BARRY. That is not an answer to my question.

Mr. DIRKSEN. It certainly is. You ought to hear from somebody who has had some experience with it.

Mr. BARRY. We had some. I would not object to a further hearing. I think this whole problem has not been given adequate consideration; but that is not an answer to my question. Suppose we had further hearings, what would the gentleman suggest?

Mr. DIRKSEN. I would suggest first that you go back to these people of skill and experience in the industry, get them around a table and say, "Look, here is what we are going to try to do. How can we best do it? What are the difficulties involved, what material is available? What do you think is necessary by way of modification of OPA or other restrictive regulations which are now in effect?"

I will ask the gentleman whether he called the expeditor of the program, this Mr. J. D. Small, the Administrator, before the committee?

Mr. BARRY. Yes.

Mr. DIRKSEN. I have not examined the hearings, but I think those charged with responsibility should be consulted.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. TABER. Does the gentleman realize that on September 1 last, when the war ended, OPA had in effect MPR-26, which prevented the production of lumber by manufacturers and required a certain percentage of deck lumber? And that that order has not yet been changed?

Mr. DIRKSEN. That is right.



Mr. TABER. It is holding down the production of lumber; and that in itself keeps us from having housing.

Mr. DIRKSEN. Further in this connection I call the gentleman's attention to this language on page 6 of the bill:

Before issuing any regulation or order under this section, the Director shall, so far as practicable, advise and consult with representative members of industries affected by such regulation or order.

Why not make it compulsory? Why make it "so far as practicable?"

Why did not the committee consult with those who have been building houses in this country for several generations? Is there any reason for leaving them out? Is there any reason for suspicion or distrust of them?

Mr. BUFFET. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. BUFFETT. I have a letter here from William H. Shaw, Chief of the Construction Statistics Section of the Department of Commerce, about this question, in which he states:

You will note that substantial increases in the present rate of production are necessary to meet the estimated requirements of 1946. We believe that these increases are possible. However, to assure them, it will probably be necessary to solve the numerous labor and pricing problems that are now perplexing the various industries.

Then he said it would appear that capacity will not be a serious limiting factor. In other words, the capacity is there in the industry now if they are given a chance to operate.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Very briefly.

Miss SUMNER of Illinois. I wish to state to the gentleman that Mr. Small did appear before our committee and the gentleman will find his testimony on page 365 of the hearings. He will see there his statement on the need for a price incentive and that the OPA has prevented the production of lumber by their policies.

Mr. DIRKSEN. In the short time remaining to me I want to call the Members' attention to a statement appearing in the Prentice-Hall's press release recently.

The very first thing one encounters on a house is the doorknob. Now, let us take the case of the Gate-Way Manufacturing Co., of Los Angeles, who thought they would start making doorknobs. So they took it up with OPA on May 21, 1945. They waited a month. Finally OPA replied, "Unable to determine jurisdiction." Three weeks later OPA stated, "Send photos of doorknobs."

Early in September Gate-Way wires Washington:

Production stopped. Workers laid off.

Washington wires back:

Expect decision next week.

September 20: Gate-Way wires Washington:

Can we do anything to expedite?

September 27: Los Angeles regional office urges Gate-Way to keep after Washington.

October 1: Los Angeles regional office itself wires Washington.

October 3: Washington's answer to Los Angeles regional office:

Gate-Way can sell its doorknobs at price just equal to cost of manufacture.

October 4: Gate-Way appeals Washington's decision.

October 12: Washington denies Gate-Way's appeal.

October 13: Gate-Way decides not to make doorknobs.

That was 6 months later.

If that is the case with doorknobs, what will it be with other things that are produced in connection with home construction and that are indispensable to home building?

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BROWN of Georgia. Mr. Chairman, I ask unanimous consent that the gentleman may have one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. My distinguished friend from Texas referred to section 705 of this bill, and read it, which states that the veterans under this section will have allocated to them certain scarce materials. I would like to call attention to the fact that that power is already in the Executive order of the President based on the War Powers Act. The only difference is the War Powers Act will expire on June 30. You will find the same regulations and the same power in the Executive order as you will find in this bill.

Mr. DIRKSEN. Let me read the language which says:

or of any facilities suitable for the construction of housing.

It does not say, "suitable for the manufacture of machinery with which to make the products that go into a house."

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Texas.

Mr. PATMAN. Mr. Small testified and 50 pages of his testimony appear in the hearings. Every witness was heard who wanted to be heard and we heard experienced people.

Mr. DIRKSEN. I recommend Mr. Small's testimony before the Appropriations Committee to every Member of this House because it goes to the very heart of the problem now before us. In conclusion, let me say that as a veteran of World War I, I am only too anxious that we develop a workable, feasible housing program that will actually produce serviceable worth-while houses and not air castles in Spain.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. MONRONEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hate to take issue with my genial, able friend from Illinois on this matter, but I cannot agree with him that this bill has been hastily considered, that evidence has not been taken. I think the committee that started to work before Christmas and worked up until a week or two ago heard a great number of witnesses, a pretty well-balanced number of witnesses on all sides.

I cannot agree either with my friend from Illinois or the others that we can simplify this question by not doing anything about it and expect the returning 11,000,000 veterans to automatically find homes under a laissez-faire policy.

Mr. Chairman, everything that has been said on the floor in condemnation of this bill I believe with study of the bill could be resolved in the minds of the Members.

#### RECOGNIZE PRICE BOTTLENECKS

We recognize especially that there are bottlenecks caused by prices; we also recognize that there are bottlenecks in the construction of veterans' houses caused by lack of present materials, and we also recognize that there is going to be a scarcity of veterans housing due to great industries expanding and remodeling from the small and scarce available supply of materials that will go into unneeded or not so urgent construction.

The best illustration I can use in answer to the statement of the gentleman from Illinois [Mr. DIRKSEN], is the following: When we found everything all balled up in the synthetic-rubber program, with everybody all over the country having a piece of it to administer, we finally called in a very distinguished American, Bill Jeffers, and we said to him:

"You are going to be rubber expeditor. We are going to give you the power to get rid of these bottlenecks. We are going to give you the overriding power over every other agency to get it done because it is the No. 1 job of the war."

They gave that job to the rubber expeditor, and you had great volumes of synthetic rubber in time to make a material contribution toward the winning of the war.

#### POWER SIMILAR TO JEFFERS

The same thing and the same philosophy is behind the appointment of a production expeditor of veterans' housing as is being done here, a man who can override these price bottlenecks that you so ably and aptly described. To get production, where a few dollars is hindering the adequate production of materials because of price. But price alone is not going to give us an ample supply of materials to build 2,700,000 houses in the next 2 years. I, for one, want to build them. I want to build them not only to take care of the returning veterans, and I feel they are entitled to have a roof over their heads, but I want to help build up this Nation's industry so that these returning veterans can earn a dollar by their own efforts in home building. I hate to see it urged to throttle this program of homes and jobs while we pay veterans \$20 per week unemployment compensation because they cannot find useful jobs quickly in private industry.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Illinois.

Mr. DIRKSEN. I do not believe the gentleman's analogy of synthetic rubber holds at all. There we were dealing with an industry that did not exist and had to be built from the ground up to produce rubber at finally about \$1 a pound when you amortize all of the facilities. Here we are dealing with the building industry, one that is Nation-wide, that has been established since the beginning of the Republic, and it can do the job if we only give it a little encouragement.

REPEAL OF ORDER L-41

Mr. MONRONEY. The gentleman is saying, then, that we should step out of this field and let industry undertake it without priorities or help. I want to say that that siren song was heard in October when L-41 was taken off the books.

Mr. DIRKSEN. In the first place, I want to see some kind of a program, but more important than that is this: Is Mr. Wyatt going to be the man to actually build the houses? You are going to have to gather up the masons, the carpenters, and the bricklayers who work for contractors throughout the country, unless you want to project the Government itself into the physical job of actually building the houses, and that is not even contemplated in this bill.

Mr. MONRONEY. That is exactly true, and unless we have an expediter to give adequate cost relief in an endeavor to break the bottlenecks in both price and supply and help build homes by private enterprise, the next demand on the floor of this House will make it hard for the Members to resist. Members will say that we have not built the housing for the veterans under our system of free enterprise that we here today defend, and so you will have men urging on the veterans and throughout this country a twenty- or thirty-billion-dollar public housing program, and that is exactly what I am trying to avoid.

I say, if we do not approach this thing from a common-sense angle, if we do not break these bottlenecks, if we do not get someone whose one job is to get houses, just as Mr. Jeffers' job was to get an adequate supply of synthetic rubber, we are not going to get these houses built. There are 100 men in OPA each of whom has a different piece in this housing and material problem that they are trying to handle.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. MONRONEY. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MONRONEY. Furthermore, when we break the material bottleneck system and the price bottlenecks we have another bottleneck, and that is as to supply. I do not think you are going to get the supply if you break all the price bottlenecks unless you go out and bring into production new material—unless you bring into production the high-cost pro-

ducers who cannot possibly operate under a normal ceiling.

#### HELP GET EXTRA PRODUCTION

The very case the gentleman mentioned of soil pipe is a very good example. Twenty-five manufacturers, I believe the figure was, were able to exist and make good on profits production, but the other 25, the high-cost producers, were frozen out of the soil-pipe business. So the idea is to bring in, just as we brought in during the war, a few of the high-cost producers who may have to ship their materials a little farther than the low-cost producers.

We may have another economic obstacle to overcome, and it may be necessary to put in a little subsidy payment to get that extra production we must have that will mean the difference between success and failure of our housing program. It may also mean that we will have to build, if you please, a few drainage pipes out of aluminum. Maybe we will have to go into many, many new materials in order to supply the needs for materials that have to be put in these homes in order to get the goal that we seek.

#### GET NEW MATERIALS

These men have never built, perhaps, aluminum parts for plumbing, or something else, and we are going to have to pay them a little bit extra on the first 100,000 or 200,000 units of their production; but once we get them tuned up and they have the know-how of making these, then we will have added additional production and they can take hold and give us the extra and added supply that we need then at competitive normal costs.

Bear in mind that that is going to cost money. It is going to cost \$600,000,000 to do that for a 2,700,000-home volume. Yet your Appropriations Committee—and I think they acted wisely—when they get the bill back from the Senate will have appropriated almost \$400,000,000—\$391,000,000 to be exact—for the relocation of temporary housing to take care of only 200,000 veterans. We have a subsidy there of almost \$400,000,000 that is out the window in 4 years, completely subsidized by the Government to take care of 200,000 veteran families. I do not think we are going very far afield when we argue for \$600,000,000 in production subsidies to bring in a vast new supply of material that will help us reach this goal to give these veterans houses.

We can say we do not like this bill because of this reason or that reason or another reason, but it is the job of the House, if we do not like the bill that is before us, to amend it.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Illinois.

Mr. DIRKSEN. By the gentleman's own figures, 2,700,000 units at \$600,000,000 is over \$200 a house, yet here are experts in the building game and in the manufacturing and materials business who have pointed out that for \$150 or even less you can get a flow of the critical materials that are stopping the housing program.

#### STILL HAVE SCARCE MATERIALS

Mr. MONRONEY. I disagree completely with the gentleman. You get a flow of the critical existing materials, perhaps, a few of which are frozen off the market, but you are not going to bring in the answer to this volume production unless you get new producers into the business, unless you use new material, unless you can find and use different kinds of materials.

You do not have the lumber to build 2,700,000 houses, you do not have many of the necessary things. You may be making bathtubs out of aluminum and be using a lot of other stuff in these homes, and we will be helping to create some new industries that will help America.

I think we have to face this thing with a little bit of courage. I do not think it is going to be any excuse or justification to say to the veterans, "You cannot have a house to live in, and furthermore, you cannot even have a job to build your own houses, because we were not willing to give to anybody, we were not willing to trust an appointee of the President to have the right to route priorities into veterans' housing, to have the right to break the material bottlenecks that are caused by bad pricing, if you please, or to break the bottleneck that exists because you cannot bring into new production the kind of supplies you need."

Mr. DIRKSEN. I do not think the implications of the gentleman's remarks are quite fair to those who are interested in the housing program and who are interested in a stabilizer, but we do say this: Why not tap the prime source of materials that has stood in the way of a housing program? Why not get a modification of these price ceilings which are to hand and do not require the building of new factories and the fabricating of aluminum bathtubs and all the rest of the things the gentleman mentions?

Mr. MONRONEY. If the gentleman will read the bill, if he will read the hearings, he will find that the thing he is asking for is one of the prime parts of this bill, but we do not think that is enough. We do not think you are going to get enough extra material by breaking the price bottleneck. You will get materials for about 300,000 homes if you break the price bottleneck, but you will not get materials for a 2,700,000 program over the next 2 years by just simply saying, "Well, OPA is to blame. If we get rid of OPA everything will be all right."

#### PRICES ALREADY UP 60 PERCENT

And do not fail to bear in mind that the veteran today has to pay 60 percent more for his home than he would have had to pay before the war. That is a 60-percent increase in his cost, according to the figures given to me by my own builders in Oklahoma City. Most of the Members on this side of the aisle that have talked about this program have only one answer in mind and that is "Let us put some more price onto the home the veteran is trying to buy."

Mr. VURSELL. Mr. Chairman, I hope this body will throw the Patman bill, theoretically, out the window and substitute in its stead H. R. 5579. If we do this we will be making considerable



progress. The Members can then decide, after they have properly buried this iniquitous and ill-advised Patman bill, whether we can sufficiently amend the Wolcott bill so that it will help in fact to build more homes for veterans.

The Patman bill, as one could well expect, gives unthought-of powers with which a bureaucrat here in Washington can bludgeon and punish the people, control and further regiment them. It seeks to build up another great bureau furnishing everyone with a political job whom the Administrator might kindly bestow upon them. It seeks to cover up the maladministration of the past under the OPA which has prevented the production of lumber, brick, soil pipe, and every article that would go into the construction of a home, by piling another and bigger bureau on top of the one which has failed. It follows the New Deal policy of adding more legislation, more controls which would further confuse everyone connected with the production of houses.

I favor the Wolcott substitute H. R. 5579, because it does not provide for inflationary subsidies, and particularly because it would give the new Administrator the power to override the OPA in increasing the price of building material where it is necessary to get greater production. If this is done there would then be no argument for subsidies. This must be done before we can build the houses which are so badly needed for the veterans and before we can build other construction work which is necessary and must be provided for to take care of business expansion which is necessary to provide jobs for the veterans and others. If we channel too much building material into veterans' homes we may prevent the veteran from securing a job through which he could earn the money to make the payments on a home by preventing business expansion which has been planned by business organizations all over the Nation which would provide and house business organizations that will provide them with jobs.

Mr. Chairman, the administration rushes in again shouting, "We have a crisis." We have been in a crisis for 10 years because of the bungling of one bureau after another so this crisis is nothing new. This crisis is not new to the administration because whether or not it so intended, they planned it that way.

Mr. Chairman, they did not have the foresight apparently to stop the exportation of billions of feet of lumber to other countries which is now needed for homes for the veterans and for business expansion, for repairs and new buildings for the farmers who have been short of material for 4 years due to the war.

They planned it that way when they shipped this material away and are still continuing to ship it and when they allowed Chester Bowles of the OPA to put such restrictions and prices on the brick industry, the soil-pipe industry, at a figure so low that they practically shut down for the past 2 or 3 years most of the concerns manufacturing these articles.

They planned it that way when they helped to drive the smaller sawmill own-

ers and operators out of business by the thousands throughout this country during the past 2 or 3 years and up to the very present by investigating them, regulating them, persecuting them, prosecuting them, and holding their price levels, in so many instances, so low that they could not manufacture at a profit.

Now they discover a lawyer, Mr. Wilson Wyatt, a mayor of the city of Louisville, Ky., who has never had any experience in the building and contracting line, and with a hysterical crisis shout, come in here with a bill which is impractical, unworkable, and that will not produce houses. Granted, that Mr. Wyatt will do the best he can, yet, we must understand that houses cannot be built by thousands of words written into a legislative bill.

Our responsibility to all of the people of the Nation and to the veteran, in particular, is to attempt, if legislation will do it, to write an act that will encourage production, because production of lumber, plumbing material, brick, and building material generally, and greater production that will put a roof over the veteran's head, is the only thing that will make it possible to build houses, business buildings, and make it possible for the farmers to buy lumber which they so badly need on hundreds of thousands of farms throughout the Nation.

No one is more interested in taking care of the veterans than the Members of this Congress and certainly no one has the responsibility to the extent as do we Members.

This being the case, we must move with caution and with certainty in attempting to set up legislation to that end.

Mr. Chairman, yesterday I received a copy of a letter directed to President Truman from Chicago, Ill., which reads, in part, as follows:

After 3 days of thoughtful deliberation by 1,222 Illinois retail lumber and building material dealers assembled in annual convention at Chicago, having studied the causes of our inability to get building materials, we are fully convinced that the Office of Price Administration is more to blame than all other factors combined.

OPA, while attempting to control prices, actually creates shortages, causes inflationary prices, and stimulates black-market operations in lumber and building materials.

It is fruitless to try to reform OPA's philosophy or to get reasonable administration of the law, and, therefore, the only cure for the situation is complete and immediate elimination of OPA on building materials.

We recognize that for a time this might result in prices higher than present ceilings, but not higher than the prevalent black-market prices. It might create new and possibly distressing hazards for many of us, but we are willing to take that risk because it is the only possible way to bring us to a satisfactory market condition, with adequate supplies and reasonable prices. Signed by 1,222 Illinois lumber and building-material dealers.

Now, Mr. Chairman, this is a terrible indictment of the administration of OPA with regard to building material. Certainly it must speak the truth, because it comes from practical men who are as patriotic as any bureaucrat who ever graced a chair here in Washington; men who, in my judgment, are not seeking to make a few extra dollars with taking

a chance on inflation, but who have been driven to an honest conclusion by the persecution and the arbitrary and maladministration policies of the OPA which has prevented production which we must have to house the veterans or anyone else.

Mr. GALLAGHER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I come from Minneapolis, a city that was made by lumber. We have many lumber dealers in the city of Minneapolis. They have met me and discussed their problems with me. After having discussed the problems, I asked, "Have you been making money?" Each one of them said, "Yes."

There is another question that I want to bring to the attention of the House. I have heard a great deal about subsidies. What is the difference between a subsidy and a tariff? Tariffs are paid by the consumers, and the only break a consumer gets, whether soldier or not, is by a subsidy.

I am in favor of quick building of homes for the soldier boys. It is an emergency and we need the housing. I am sorry we took 2 hours today to advertise a certain political party rather than to go on with this bill.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. ELLSWORTH. Mr. Chairman, I think it is about time someone gave some facts regarding the lumber situation.

Since I come from a district which is currently producing more lumber than any other congressional district in the country, I think I am probably the one to put out those facts.

I do congratulate the proponents of this bill on one point. The debate on this bill has inspired the OPA to hasten the effective date of the order which readjusts the prices on lumber. This order should have been in effect 6 months ago. That readjustment has been moved forward 6 days. It was previously announced that this readjustment would take place on March 6. Yesterday afternoon when I returned to my office I found that an order had been issued that it is to be effective March 1. So we have done a little expediting by means of 1 day's debate. Perhaps if we carried on another few days we could expedite a few more things of this kind.

Here is why it has taken so long for this pricing order to be issued. I refer to the readjustment from war-material prices to housing-material prices. It has taken 6 months. The procedure is something like this: The price executive in the Lumber Section in OPA, Mr. Peter Stone, is a competent man, a lumberman who knows the business from A to Z. It was obvious when the war ended that price emphasis must be placed on housing lumber. Mr. Stone goes out to the industry, talks to the advisory committees. They work out a readjustment of prices, not so much a readjustment as a shifting of emphasis on production. Mr. Stone then writes his report. It goes to some higher body in the OPA known in the industry as the OPA debating society. They apparently debate the matter for weeks. Then it comes back to Mr. Stone and is again discussed with the advisory

committee. The recommendations of the debating society are found to be completely out of line with practical lumber production and the order has to be rewritten. And that circular plan of OPA operation has been going on for 6 months, Mr. Chairman.

The basis on which the actual pricing of lumber from sawmills is made by the OPA is this: If the prices listed by the OPA will enable 75 percent of the mills to break even or better those prices are adopted. The effect of that obviously is to reduce production by 25 percent, for the manufacturer who is in the unfortunate position of not being able to produce at the listed ceiling price is going to stop producing. The OPA policy in this regard has been eminently successful. In the year 1944 western Douglas fir lumber production was 8,000,000,000 board feet. In the year 1945 OPA policies had proven exactly right, if what they wanted was less lumber, for lumber production dropped to 6,000,000,000 board feet, a reduction of exactly 25 percent. For the first 2 months of this year the reduction is 29 percent. So this year the policy is working out just a little better than they anticipated. Now we face an emergency because we lack lumber and other materials with which to build houses.

What we are doing with this bill is bringing on an Expediter by legislation who will have the job of telling the OPA what to do about lumber prices. I do not see why that should be necessary. It seems to me the OPA has had ample experience. It has competent men in the Lumber Pricing Section. I do not see why we need legislation for this purpose. The Expediter will not be able to get a single board-foot of lumber at below the cost of production; it just cannot be done, and it is not going to be done.

All this bill does is to set up another bureau. We are going back to the same old business of declaring an emergency and creating another office and setting up another agency to watch over us.

I have another complaint with reference to this very Expediter who is now on the job. Last week a man was here from Portland, Oreg., where there is an inflationary real-estate market. That man has plans made for the production of 3,000 homes in that city of some 350,000 to 400,000 population. The immediate construction of 3,000 homes would, I believe, completely end the inflationary market on homes.

This man came back here to get final approval of his program. He talked to a gentleman in the office of the Expediter whom we are now about to legalize; and last week, that construction program for 3,000 new homes was halted, it was stopped by the Expediter we are trying to legalize in this bill. Is that the sort of expediting we are expected to approve by passing this Patman bill?

Mr. CELLER. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, this is a bill concerned with dwellings. It does not directly apply to business property or to land or real estate appurtenances used or to be used for commercial purposes. However, under section 701 to section 705, inclusive, the director has wide powers over

all building materials used not only for private housing and dwellings but as well for buildings used for commercial purposes. He is given power to issue orders of priority and to allocate building materials of every nature and description and for all purposes.

I have a situation in Brooklyn where a time-honored firm operates an important department store covering practically a whole city block facing on a main thoroughfare of Brooklyn. This establishment, now well nigh 75 years old, is composed of three structures, a central building facing Fulton Street and two wings on two other streets. All three structures mold into a gigantic store. The old central building, except a small portion thereof on Fulton Street, has been entirely demolished and is in the process of being rebuilt. Architect's plans have been perfected and contracts for the rebuilding have been let and reconstruction has been started.

I discussed with the gentleman from Texas [Mr. PATMAN], the author of the bill, this Brooklyn department store situation and queried whether this firm would be precluded or hampered in procuring a flow of materials for the completion of the reconstruction and reconversion of its business structure. He replied that under the circumstances he doubted any difficulty and felt sure that the Director in any request for allocation of materials for this reconstruction, considering the importance of the structure and its essentiality to the Brooklyn community, and, further, in view of the fact that contracts for construction have been made, the Director would consider the application in a favorable light and would give the applicant most equitable consideration.

It was my intention to offer an amendment to this bill to cover the situation; but I am loath to clutter this bill up with amendments when such explanation as I am making will suffice. Such explanation is in the nature of a congressional directive to the Director after he is appointed. It is a guide and a ruling for him. Otherwise a severe injustice would result. The people of Brooklyn are entitled to a speedy reconstruction of the building. The economy of Brooklyn is involved. Hundreds of jobs impend. Many thousands of Brooklynites are affected; hence my statement.

As is usual, the debates and statements made in the well of this House must be used in any interpretation of the statute, if there is any doubt, and in order to clear up any such doubt I make this statement.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from California.

Mr. JOHNSON of California. Does the gentleman think that the mere statement of a Member in debate would be a directive if the language itself does not have that directive meaning?

Mr. CELLER. I think the language could be interpreted in the way I indicated, but supplementing my statement by the discussion I have had with the author of the bill in reference to this matter and the explanation which I read, should have additional weight when the

director interprets that particular section, to wit, section 705.

Mr. JOHNSON of California. I want to help the gentleman, but I think the rule is that you can only use those arguments and statements in the event of ambiguous language.

Mr. CELLER. That is right.

Mr. JOHNSON of California. If the language does not cover what the gentleman wants, then the argument will not supply it.

Mr. CELLER. I am making assurance doubly sure. I agree with the gentleman except to say that there should not be any doubt as to the interpretation, but if there is any doubt existing in the mind of the director, I hope my explanation will clear up that doubt.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SPENCE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4761) to amend the National Housing Act by adding thereto a new title relating to the prevention of speculation and excessive profits in the sale of housing, and to insure the availability of real estate for housing purposes at fair and reasonable prices, and for other purposes, had come to no resolution thereon.

#### COVERAGE OF CERTAIN DRUGS UNDER THE FEDERAL NARCOTIC LAWS

Mr. COOPER submitted a conference report and statement on the bill (H. R. 2348) to provide for the coverage of certain drugs under the Federal narcotic laws.

#### RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following resignation from a committee:

FEBRUARY 26, 1946.

Hon. SAM RAYBURN,  
Speaker of the House of Representatives,  
Washington, D. C.

DEAR MR. RAYBURN: Having been appointed to the Committee on Appropriations, I hereby tender my resignation as a member of the Committee on the Post Office and Post Roads, effective immediately.

With assurance of my highest esteem, I am,

Very sincerely yours,

J. VAUGHAN GARY.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

#### COMMITTEE ON RULES

Mr. BATES of Kentucky. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

#### EXTENSION OF REMARKS

Mr. PATTERSON asked and was given permission to extend his remarks in the Record.



Mr. CELLER asked and was given permission to extend his remarks in the RECORD in three instances.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. HOFFMAN (at the request of Mr. CRAWFORD) was given permission to revise and extend the remarks he made today and to include certain quotations.

Mr. STEFAN (at the request of Mr. CRAWFORD) was given permission to extend his remarks in the RECORD and include an address by the Commissioner from the Philippines, Mr. ROMULO.

Mr. SMITH of Ohio asked and was given permission to revise and extend the remarks he made today and include an editorial.

Mr. THOMAS of New Jersey asked and was given permission to extend his remarks in the RECORD on the subject of Michael J. Quill.

Mr. LAFOLLETTE asked and was given permission to extend his remarks in the RECORD and include an address delivered by his colleague the gentlewoman from Connecticut [Mrs. LUCE].

Mr. CARLSON asked and was given permission to revise and extend the remarks he made today and include three letters.

Mr. SADOWSKI asked and was given permission to extend his remarks in the RECORD in two instances, and include excerpts.

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include an article on the city of Boston.

#### HOUR OF MEETING TOMORROW

Mr. BROWN of Georgia. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

#### SPECIAL ORDER GRANTED

Mr. LANE. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Washington [Mr. SAVAGE] is recognized for 30 minutes.

#### INVESTIGATION OF EXPENDITURES OF CERTAIN LOBBYING ORGANIZATIONS

Mr. SAVAGE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and to include two newspaper items; one from the Omaha World-Herald and the other from the New York Times.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. SAVAGE. Mr. Speaker, I wish today to call upon the Congress of the

United States to institute an investigation of the expenditures and of the corrupt practices of certain lobbying organizations which are becoming a menace to democratic processes and a threat to our national well-being. I shall name three of these organizations and also several individuals. An investigation would surely add at least two other national associations to the list.

In recent months we have found that many of the same big business firms and individuals who sought for years to block the development of Grand Coulee Dam are now tied together in so-called reclamation associations—State and National—and in this new National Association of Electric Companies and in the United States Chamber of Commerce, and they are now out to block further development of our great national resources, and are seeking to get control of many of them.

Big money from power companies, railroads, certain banking interests, and other similar corporations is pouring into the coffers of the three lobbying organizations, and they are all combining to rob the common people of the benefits of our great wealth of natural resources.

They tried for years to block the development of Grand Coulee Dam and Bonneville Dam in my State; they fought George Norris' efforts to get the TVA started and now they are centering their attention against the Columbia Valley Authority legislation.

A small group of men, led by a former Insul company official, is spearheading the organization, financing the operation of these three high-sounding organizations; the Reclamation Association, the National Association of Electric Cos., and the natural resources committee of the United States Chamber of Commerce. They are tied together as tightly as two peas in a pod in their plan to rob the American people.

They do not want the Government to build dams, but if in spite of their opposition the Government has built a dam, they are determined that they will buy the power at the bus bar. They are determined to repeat their Muscle Shoals steal. At Muscle Shoals, the Government built a dam during World War I, and after the war these power companies bought power at the bus bar, paying the Government less than 2 mills per kilowatt-hour—one-fifth of a cent. And then they turned around and sold that power to the people of that area, and how much did they charge? They forced the people to pay 10 cents a kilowatt-hour for that power right next to Wilson Dam, 50 times as much as it cost them.

That is the kind of private enterprise these lobbying organizations are trying to perpetuate. They have a stranglehold on a good thing—on one of the necessities of life—electricity. They have a monopoly on it and they are determined to ride that monopoly to the limit for all it is worth.

Uncle George Norris freed the people of Tennessee Valley of their stranglehold—he helped those southerners break out of the clutches of the overlords of monopoly.

But how about our people out in the Northwest? Guided by the Electric Bond & Share Co. and other remote holding companies in the East, the power companies have and are trying to secure a stranglehold on the greatest resource we have out there—our Columbia River power.

No; they did not want the Government to build those dams and other facilities—the dams which produced 40 percent of the aluminum for all of the planes which were so indispensable to the winning of this war—the dams which produced the atomic bombs and built a substantial part of our ships. These outfits which are fighting our CVA now tried every angle and device to block our little group of Washington State people who had the vision to see the possibilities of damming the mighty Columbia. They fought us out there and they fought us back here in the Halls of Congress.

But after the dams were built they proceeded to lay plans to place them in their clutches, as far as was in their power to do. They have tried to block the REA, they have tried to block our public-power districts, and recently they have tried unsuccessfully to influence one of the fine committees of this House of Representatives.

They also tried, through referendum 81 of the United States Chamber of Commerce, to get support for legislation placing Columbia River power into their hands at the bus bar. If that provision had gone into the rivers and harbors bill, we would have been deeding over all of our great power streams—lock, stock, and barrel—to a group of slick eastern and midwestern promoters. They are trying every possible underhanded device to get their hands on those dams and thus rob the people as they did at Muscle Shoals, and they will do it unless this Congress and our people are forewarned.

Gentlemen, I urge you to get out the Federal Trade Commission's volumes resulting from Senator WALSH's resolution and you will then have an excellent preview of what we can expect in the next 5 years of utility lobbying. Nearly every imaginable corrupt practice was shown up by Senator WALSH's investigation, which resulted in passage of the Holding Company Act. Now, these power companies, working through innocent-looking organizations such as the Reclamation Association, have entered into a definite conspiracy to break the Holding Company Act. But this is only one of the angles from which they are striking.

Electricity is a necessity of life—of modern life—and its distribution is a natural monopoly. You cannot have two different corporations running power lines down every street any more than you can have two different corporations running water lines down every street. Water lines are a natural monopoly and so are power lines. They cannot be privately owned, apparently, because there is no such thing as controlling rates where they are privately owned. Federal studies have shown that rates are higher

where they are under supervision than where they are not.

Electricity should be available to the American home at low prices just the same as water is available at a low price; they are necessities. They must also be available to our private enterprises at low prices so that private enterprise can thrive by making use of them.

But these lobbying associations—the reclamation association, the National Association of Electric Companies, and the United States Chamber of Commerce are attempting to influence this House to secure for private gain the benefits which flow from publicly-owned water falls.

This lobbying association of electric companies is headed by a former executive of one of the Insull companies who is now being paid handsomely to live here in Washington and direct their activities throughout Congress and through all of the Government agencies and departments. It would be worth while for this House to look into the background of those associated in the formation of the new private power lobby which has been recently set up in the capital city.

This is the largest lobby of its kind in all power history.

It is much larger than the lobby which was created to defeat the Walsh resolution covering an investigation of power-trust financing and propaganda. The activities of this former lobby and its twin brothers, the National Electric Light Association and the United States Chamber of Commerce, are well known to those who were in Washington, D. C., before the depression.

The objective of this new lobby is just the same as the objective of the one which operated before the Walsh investigation. That 1926 lobby was directed by Sam Insull through his control of the old National Electric Light Association. The demise of the National Electric Light Association, because of adverse public opinion, is well known.

Following the Insull scandal the National Electric Light Association and its lobby adjunct was forced out of business. It was succeeded by the so-called Gadsden committee which functioned in Washington, D. C., during the formative period of Bonneville and Grand Coulee. During the war the Power Trust, through having its own people in control positions at the War Production Board, concluded that a lobby was not necessary as they could stop expansion through the control of war materials. This tie-up is clearly shown by the recent testimony before the Senate Appropriations Committee, when the first deficiency bill for 1946 was under consideration. I can give you the names of men who worked against us there, men who are now being rewarded with fat jobs on the electric companies' pay rolls.

This new lobby organization—the National Association of Electric Companies—has now been formed to take up where the Gadsden committee left off. Its objective is the same as the two previous lobbies, namely, to eliminate the benefits of low-cost power now enjoyed by our farmers and domestic consumers.

The formation of this new lobby organization has been outlined on page 88

of the Electrical World of July 21, 1945, and on page 16 of the issue of July 28, 1945. The principal officers are Mr. Purcell L. Smith and Mr. Kinsey M. Robinson of the Washington Water Power Co., and they have their offices here in this city. From an investigation of the records I find that Mr. Purcell Smith was formerly treasurer of the Illinois Power & Light Co. which was jointly owned by Sam Insull and the North American Co. Mr. Smith left the Illinois Power & Light Co. to go to a New York bank and from that bank he went back to the original Insull Holding Co. as president, namely the Mid-West Corp. From the Mid-West Corp., Mr. Smith transferred his efforts to the initial Insull operating company, namely, the Commonwealth Edison Co. of Chicago. He is now receiving \$65,000 a year for his lobbying efforts.

The Illinois Power & Light was also closely allied with the Union Electric Co. of Missouri in many activities. Both of these companies were brought into the Federal courts due to the exposures resulting from the diligent work of the St. Louis Post-Dispatch. Both organizations were found guilty of wholesale bribery of public officials. The president and the two vice presidents of the St. Louis company finally were sentenced to the penitentiary in a Federal court and the Illinois Power & Light Co. admitted guilt and was fined \$10,000 under the penalty provisions of the Holding Company Act. Anyone who wants the extensive details of these slush-fund operations can find abundant material in the files of the St. Louis Post-Dispatch.

This same Purcell L. Smith, of the Insull empire, and his men are working here today; do not be surprised if you find their shadow at any meeting or office where their cause can be served. These men and their associates are spending hundreds of thousands of dollars a year influencing legislation, and they are determined to get their money's worth.

I have here a photostat of a story from a recent issue of the Omaha World-Herald telling how Bozell & Jacobs, a publicity firm employed by the power companies, bribed a Mr. Charles Starr with an offer of \$42,000 to get him on their side in the Nebraska power fight. They paid him \$23,340.23, and when they failed to pay the remainder he sued them and a district court jury awarded him \$18,659.77 more.

For every one such instance of bribery which comes to light the chances are there are 500 instances where the bribe is paid and no one knows about it. So that you may all know the details of this case—and there are certainly many more similar and worse—I shall ask leave to extend my remarks and place the entire story in the RECORD at this point.

[From the Omaha World Herald of October 20, 1945]

**SUIT BARES PAY DEAL IN NPC'S FIGHT—EX-BOZELL FIRM AID DESCRIBES ORAL PACT WHICH STARTED IN '38**

Ghosts of the activities of Bozell & Jacobs, Omaha advertising and publicity firm, in their attempts to prevent public ownership of the Nebraska Power Co. flitted about the courthouse this week.

Bozell & Jacobs were the advertising and publicity agents for the power company under holding-company ownership. They have not represented the company since it came under the control of the nonprofit Omaha Electric Committee, Inc.

Spread upon the court records was a story of how Bozell & Jacobs silenced one municipal ownership advocate.

It was the case of Charles E. Starr, construction engineer, 5018 Lafayette Avenue.

A district court jury Thursday afternoon awarded Mr. Starr a verdict of \$18,659.77 against Bozell & Jacobs. He charged they had broken a verbal contract with him for work as a public-relations engineer.

Bozell & Jacobs, the evidence showed, paid Mr. Starr \$23,340.23 from September 1938 until December 1944. He charged that they agreed to pay him \$42,000. The verdict was for the difference between those two amounts.

#### GOT CALL FROM BOZELL

It all began back in 1938. Mr. Starr, who said he has "always believed in municipal ownership," testified that he was circulating petitions calling upon the city council to call an election on municipal ownership of NPC.

He said he began the circulation September 19, 1938. A few days later he received a call from Leo Bozell, of Bozell & Jacobs, he added. On September 23, he testified, he went to Mr. Bozell's office.

This, Mr. Starr testified, was part of the conversation:

MR. BOZELL: "Well, you know we want you; we need you. We must get those petitions out of circulation."

MR. STARR: "Well?"

#### TOO SUDDEN

MR. BOZELL: I want to employ you. I want to employ you as our public-relations engineer."

MR. STARR: "Leo, just what do you have to offer me?"

MR. BOZELL: "Well, what do you want?"

MR. STARR: "I don't know; it is too sudden for me. I don't know what I want."

After further conversation, Mr. Starr testified, he said he would give his answer the following day. The next day, he continued, he called Mr. Bozell, who gave him the number of a room at the Paxton Hotel and said they would meet there.

#### NO WRITTEN CONTRACT

This, Mr. Starr testified, was part of the conversation in the hotel room:

MR. BOZELL: "Well, what is your offer and what is your decision, Charlie?"

MR. STARR: "Leo, I want \$60,000 in payments of three to five hundred dollars a month, which can be extended over a period of 10 years, and a written contract."

MR. BOZELL: "Well, I cannot give you a written contract."

MR. STARR: "Why not?"

#### REPORT NEED TOLD

MR. BOZELL: "Well, in the first place, we want nobody to know what you are doing. In the second place, we will have to make a report to the Securities and Exchange Commission, also to the Power Commission at Washington."

Mr. Starr said he then suggested a cash consideration to bind the contract, and suggested 5 percent. Mr. Bozell, he testified, answered:

"I don't know if Mr. Davidson—J. E. Davidson, president of NPC—will go that high on this deal, but I will take it up with Mr. Davidson and I will let you know and call you."

#### OFFER \$42,000

Later, Mr. Starr testified, he was called to Mr. Bozell's office. Part of the conversation, he testified, was this:

MR. STARR: "What is your proposition, Leo?"

MR. BOZELL: "Well, first of all we will make a contract for \$42,000, with payments of \$350



a month over a period of 10 years, and 2½ percent cash consideration to consummate this contract."

Mr. Starr testified that Morris Jacobs, other partner in the firm, said:

"Charlie, you had better take this; it is a good proposition."

#### PROMISE FULL AMOUNT

Mr. Starr said he asked what protection he would have if NPC changed ownership. Mr. Bozell replied that the full amount would become due at the time ownership changed, he testified.

The agreement was made, he testified, and Mr. Bozell sent an employee upstairs to get the cash payment.

Mr. Starr testified Mr. Bozell told him:

"Charlie, the first thing we want you to do is get yourself a nice office over in the Brandeis Theater Building, or the Saunders-Kennedy Building. We want you a little far away from our office. Buy nice furniture and fix it up very lovely, so the people will admire the place when they come in and look it over."

#### WILL BURN PETITIONS

Bozell & Jacobs paid all office expenses until it was closed in September 1941 he testified.

Messrs. Bozell and Jacobs, he testified, told him to bring in the petitions he had been circulating. Mr. Jacobs, he said, commented: "We will burn them up."

After 1941, Mr. Starr testified, he took another job and was just on call with Bozell & Jacobs. His payments from Bozell & Jacobs were reduced to \$250 a month, he said.

For a time, he said, he went to Bozell & Jacobs office to pick up his check. Later, he said, Mr. Bozell told him not to come to the office, and the checks would be mailed to his home.

#### WIRE USED IN AD

Mr. Starr testified that in 1943 he sent a telegram to the Securities and Exchange Commission on whether NPC had to be sold.

He signed it as a member of the International Brotherhood of Electrical Workers, which he is. The telegram and the SEC's answer later were used by the NPC in advertising.

Mr. Starr said he also assisted the IBEW in "having a resolution passed on the suggestion of Mr. Bozell opposing creation of the Peoples Power Commission by the city of Omaha." The resolution was passed by the Central Labor Union.

Those were the only two things he did in 1943, he asserted.

#### PAY STOPPED IN 1944

When the NPC common stock was sold in December 1944, he testified, his payments were stopped and Bozell & Jacobs did not pay him the rest of the \$42,000.

Mr. Bozell testified that NPC was his firm's best client and it was "our business to get circulation of those petitions stopped." He said:

"We told him we would pay the expenses, but would not give him any gift or anything like that for it. But we would employ him for the time being to report to us and to keep us generally informed about public opinion because we had learned that he had a way of getting around a lot of places and knowing what was going on." The original payment of \$1,050, which Mr. Starr said was to bind the contract, was actually the expenses agreed upon, Mr. Bozell said.

Mr. Jacobs testified that he had worked with Mr. Starr, but didn't remember much about the circumstances under which he was hired. He said Mr. Starr's work was "sampling public opinion, gathering information, making contacts."

The Nebraska State Legislature held a 2-year investigation of the power purchase and found that the local power company was using all sorts of fictitious

organizations, paying lobbyists, and so forth, all to their own end. The same thing is being done all over the country.

An attorney by the name of Ritchie, who is carrying on the power trust fight in Nebraska, was formerly attorney for a big advertising firm handling the power company business, and naturally was not taken along by the new public owners.

Out in my State these same people have organized what they call the Washington State Reclamation Association, and here is a letter which they have just distributed over the State. It says:

To all officers, directors, and members Washington State Reclamation Association:

GENTLEMEN: We have advice from Washington, D. C., that because further hearings on the Missouri Valley Authority bill have been indefinitely postponed, and for other reasons, it is possible to have hearings before the Rivers and Harbors Committee of the House of Representatives on Columbia Valley Authority bill, H. R. 5083, called off if enough opposition to such legislation is registered with JOSEPH J. MANSFIELD, chairman Committee on Rivers and Harbors, House of Representatives, Washington, D. C.

Please wire or write to him that you, or your organization is opposed to such legislation in general, and CVA in particular.

Yours truly,

GEORGE R. THOMPSON,  
President.

I sincerely hope that the gentleman from Texas, Judge MANSFIELD, will not be misled by this innocent-sounding title, reclamation association. We know how it was organized, where they get their money, and who directs their activities. An investigation will show that 21 representatives of power companies and railroads were present when this organization was created.

This organization gets its money from the same power companies and other big corporations that financed the campaign to block Grand Coulee and Bonneville Dams, and if Senator Norris were here today he would tell us that he had to fight this same kind of money.

They have unlimited funds, funds which they collect in our light bills, and they use this money in every imaginable way. They pour it into their associations and these associations sometimes send checks back here to pay the transportation for public officials to attend their meetings.

The activities of the power companies in the State of Washington and neighboring States have been fully investigated by the Federal Power Commission and can be found in Docket No. I. T. 5647, which shows some of the methods used to defeat or delay the development of low-cost power to preferential customers. A second citation can be found in the Commission's opinion No. 59 on this investigation. Quoting from opinion 59:

The investigation shows that the five electrical utilities during the period 1935 to 1940 expended large sums of money to further their political and legislative interests, and to influence public opinion.

Expenditures for definitely political purposes, as taken from the books of these few companies, amounted to \$790,653.07, and the expenditures for other propaganda purposes, which were undetermined as to parts, amounted to \$246,-

863.44. These items represent cash donations and do not include the direct expenditures of the company representatives in services of officers and employees and their expense accounts. Over \$1,000,000 which was definitely identified on the books is in addition to direct expenditures buried in their operating accounts.

Also out in our State they publish a reclamation journal in which they cater to and seek the intimate friendship of the Bureau of Reclamation and the United States engineers. Whether these fine Government agencies and executives fall for the journal's filthy flattery or not remains to be seen.

A friend of mine asked the writer of the afore-mentioned Reclamation Association letter where their money was coming from, and he freely admitted that much of it came from the power companies. And I am told that one railroad out there spends over \$100,000 a year financing such activities. Gentlemen, the future of our form of government will be jeopardized if these outfits are permitted to continue the use of their monopoly-made revenues to undermine constructive programs. They are now raising a huge fund to be used for working through Congress and the departments in an effort to stop the CVA legislation.

They are misusing and corrupting great organizations such as the United States Chamber of Commerce and attempting through a definite conspiracy to flout or destroy the Holding Company Act. No stone will be left unturned to nullify this act and to cripple REA and other constructive programs which are intended to give the common people the benefits of our falling water and other great natural resources.

Gentlemen, these organizations will stop at nothing.

This same story can be repeated scores of times, with slight variations, for other opponents of these projects. One after another they are rewarded for their obstructive activities by going on the power company pay rolls, either directly with the companies or as employees of these lobbying organizations.

There is no limit to the amount of funds they are willing to spend. Why should there be? They charge it to operation costs and collect it at the meter.

Gentlemen, the time is here for an investigation.

First, there should be a complete investigation of this new power lobbying association. The investigation should also cover their lobbying associates such as the Washington State Reclamation Association and the National Reclamation Association. I also call attention to the racket being operated here by E. W. Rising. Congress should determine who is supplying the funds for the Rising activities. Source of funds of the National Reclamation should be investigated as well as the lobbying activities of Leighton & Gamble, consulting engineers, of Washington, D. C.

Congress should find out who is promoting the articles appearing in Public Utilities Fortnightly which are attacking the REA. Further, Congress should find out who is financing a book now in

preparation by Mr. C. J. Green for the national resources department of the Chamber of Commerce of the United States. This forthcoming publication by C. J. Green is an attack on the TVA. Congress should find out also who is supplying the funds for an Illinois organization called the Investors League, and what prompted the insertion of Purcell Smith's speech before said Investors League on November 29, 1945, as is covered in the Appendix of the CONGRESSIONAL RECORD January 21 last.

This former Insull associate recently stated that 95 power companies are supporting his office here in Washington—95 companies are pouring money into his coffers. I repeat, they will stop at nothing. We will find their handiwork in every bureau and department in Washington and in much of our legislation, in the most unexpected places.

You would not expect to find them in a reclamation association, an organization which is supposed to deal only with irrigation of lands, but they are the very founders of this organization; they finance it and they run it.

Out in Washington State our people, by State-wide referendum, voted for setting up public-power districts to acquire the power systems, and I personally have worked on these committees.

In Spokane, Wash., we have the Washington Water Power Co., a subsidiary of the Electric Bond & Share Co.—EBASCO, it is called. In their efforts to block Grand Coulee Dam they tried to tie up upstream power sites and they carried on all kinds of expensive campaigns, using hundreds of thousands of dollars of money which they extracted from the pockets of our own people.

Kinsey Robinson, president of the Washington Water Power Co., has been lobbying against Columbia River legislation since 1937. Anyone who wants the evidence can find the same in the record of the Senate and House Appropriations Committees starting with 1939 as well as the hearings before the Rivers and Harbors Committee on H. R. 7642, Seventy-fifth Congress, first session. The Senate hearings show definitely that if Mr. Robinson's ideas had been followed by Congress our fighting men would have been denied the tools of victory in our war with Germany, Japan, and Italy. Our Columbia River power supplied over one-third of all the materials for our great air program and for the vast atomic-bomb plant at Hanford. Anyone who reads the record as well as the speeches made on this floor between 1939 and 1942 will find full evidence covering the crippling efforts of Mr. Robinson, who is now one of the leaders in this power lobby.

Kinsey Robinson is a leader in the drives here in Congress to overturn the Holding Company Act, to discredit TVA, to block CVA, to cripple REA, to thwart our public-power programs and to prevent construction of other dams. He would force us to burn millions upon millions of barrels of our oil to generate electricity rather than put dams across the rivers and make use of our wasting water power.

I personally know of many of Mr. Robinson's activities and many of my col-

leagues here know that Mr. Robinson is a leader in the resource committee of the United States Chamber of Commerce, a leader of this association of electric companies, and a power behind the reclamation associations. He was on the United States Chamber committee which drafted the vicious referendum 81.

I believe the time has come when these expenditures and efforts should be exposed; there should be a congressional investigation of their present drive to nullify the Holding Company Act. All of their other activities should be thoroughly screened. I have heard a report from the Dakotas that one of these former Insull associates is again inserting power propaganda in school textbooks just as they did so flagrantly all over the United States prior to the Walsh investigation.

You would think that the United States Chamber of Commerce would be above participating in these nefarious programs, but recently when a nationally known weekly magazine published an article which appeared to be favorable to regional authorities, including the TVA, big business corporations called the publishers and threatened to cancel large advertising contracts. They did not say the article was untrue; those threats were inspired by an organization which does not want the truth known. They are throttling our so-called free press everywhere and every man here knows it.

If we are to uphold our form of government and preserve our free enterprise profit system Congress must give attention to such evils, must take some drastic action to clean up this ever-recurring power trust canker.

I am told that there is one region in this country—not our Columbia Valley—where almost everybody wants a regional authority such as TVA but the power company controls the press by running their big advertisements in all of the little weekly papers every week; it controls the legislators and most of the local and State-wide organizations so that no man of influence dares try to buck them. The power company has everything organized so it can pick off its opponents one by one every time they raise their heads. No legislator or anyone else dares to publicly oppose them.

Gentleman, they have been trying to do just this out in Washington State for years. They even put their people into our little community betterment groups; they propagandize every element of society in the State. But our grangers and our laborers are next to them.

I know from my own experience in the Washington State Legislature what these lobbyists are trying to accomplish. As an example of their efforts I include at this point an article from the New York Times of February 17, 1946:

[From the New York Times, February 17, 1946]

THE UPPER SOUTH—TVA "RIPPER BILL" STIRS SHARP FIGHT IN KENTUCKY

(By Virginius Dabney)

RICHMOND, February 16.—The TVA "ripper bill" has passed the Kentucky senate and is now before the house, where a similar bill died on the closing day of the 1944 session. The measure is termed "an outrage" by the chairman and two directors of TVA, who de-

clare that its consequences will be "disastrous" to the people of Kentucky.

The bill is in the form of an amendment to Kentucky's TVA Enabling Act of 1942, and it has been branded as giving perpetual franchise to private utilities, barring Kentucky cities from acquiring their own systems, and keeping rates higher in Kentucky than elsewhere.

President R. M. Watts of the Kentucky Utilities Co. admitted frankly that the bill had been prepared by the company and its lawyers, and that some of the cities affected by its passage had been consulted. Opponents of the bill include lawyers representing the Greater Paducah Association and the Taxpayers League of Kentucky.

This debate in Kentucky over hydroelectric power comes at a time when heavy rains threaten floods in this whole area. At Richmond, the city government and the chamber of commerce have united in approving a flood-control program to cost them more than \$2,000,000, of which the city would furnish \$1,000,000 and the Federal Government the rest.

Time and again right here in Congress these utility holding companies have been on the verge of gaining control of our entire Columbia River. Gentlemen, this is a serious threat to all of the people out our way, and to this Nation as well.

In closing, I want to appeal to the progressive and informed members of this House to get busy and clean up this situation, and at the same time I wish to warn my conservative colleagues who are often on the side of the power trust: I wish to point out that these power companies—these power monopolies—are the worst enemies of private competitive enterprise that we have in America today.

#### SPECIAL ORDER GRANTED

Mr. GAMBLE. Mr. Speaker, I ask unanimous consent that the special order heretofore granted the gentleman from California [Mr. PHILLIPS] to address the House for 30 minutes today be vacated and that he be allowed to address the House for 30 minutes on Friday, March 1, following the legislative business of the day and any special orders that may have been entered for that day.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. Under the previous order of the House the gentleman from Oregon [Mr. ANGELL] is recognized for 15 minutes.

#### OLD-AGE SECURITY

Mr. ANGELL. Mr. Speaker, I have here petitions which have been signed, I am advised, within the last 6 months by residents of my congressional district. There are 14,002 signatures to the petitions, giving the address of each signer, and the petitions were circulated by voluntary workers receiving no compensation who were interested in Federal legislation providing for old-age security. The petitioners particularly requested that bills H. R. 2229 and H. R. 2230, which are companion bills and one of which I introduced, be accorded a hearing before the Ways and Means Committee and then by the Congress as a whole. In the State of Oregon 35,022 have signed these petitions, and in seven States of the Union over 300,000 signa-



tures have been secured. I call this to your attention to show the widespread and sincere interest there is in an old-age security program by the people of the Nation. Many Members of the House have signed a request to the Ways and Means Committee to give a hearing on this legislation.

I am sure that all of us who are sponsoring a Nation-wide Federal program for the relief of our senior citizens of 60 years and over are not so much concerned with the particular provisions of these bills or any other bills pending covering this subject, as we are to secure a full hearing on the legislation and have a bill reported to the Congress which will grant relief to these old people. That is the reason why we are requesting a full hearing so that all phases of such legislation may be considered, divergent views harmonized, and a forward-looking legislative program presented to the House for a vote. The Social Security Board reports that for August 1945 the average monthly allowance for aid to the aged in all the States of the Union was \$29.97. It ranged from the high of \$49.25 to the low of \$12.79. In these postwar days, with high costs prevailing for the necessities of life, it does not require argument to demonstrate that such a niggardly payment for the care of our old folks is not only indefensible but a blot upon the good name of America, which is presumed to be foremost in providing care for its citizens. We are expending billions from the Federal Treasury for relief in foreign countries, but we permit our old people to eke out an existence in this land of plenty on the miserly sum of \$29.97 a month, which is wholly insufficient to maintain an old person in decency and health.

Under the provisions of these proposed bills, all of our people would contribute in proportion to their income in providing the funds to meet these monthly payments, and every citizen, on attaining the age of 60 years and not gainfully employed, would be entitled to share on equality with every other citizen in like circumstances in the fund. Furthermore, it would replace many elderly citizens with younger men in the industrial and commercial work of our country and thereby give additional jobs to those on the unemployed rolls.

Before our entry into the war, it was estimated that in 1941 of the persons 60 years of age and over in the United States 54.9 percent were supported wholly or partially by public or private social agencies or were dependent on children, relatives, or friends for their subsistence and care. A considerable proportion of the remainder received part or all of their support from various pension systems—Federal, State, and municipal, industrial or private.

It is interesting to note that the Gallup poll on old-age pensions, taken before our entry into the war, showed that the American public in response to the question, "What do you think is the smallest income per month that a couple over 60 years of age needs for a decent living in your community?" answered \$73. This is arrived at by averaging the answers throughout the United States.

The South obviously was considerably lower, namely, \$59. The West Central States gave a similar sum as the South. The West and the New England and East Central States gave the higher sums of \$74 and \$78.

This poll shows that 91 percent favor Government old-age pensions and the majority approved lowering the age to qualify to 60 years. We should pass legislation for the security of these old people and for adequate wage scales for low-paid Federal employees before we consider the proposals for increasing our own salaries or providing for ourselves retirement allowance. The old folks should come first.

Mr. Speaker, it is not my intention or purpose in this brief statement to discuss the merits of this or similar legislation, but merely to call the attention of my colleagues to the necessity of action now upon this important legislation which was sidetracked during the war. As a result of our ingenuity and accomplishments in adapting scientific processes and power machinery for mass production, our workers have not only been able to produce a much greater volume and variety of goods than heretofore to provide food, clothing, and shelter, as well as a higher standard of living for our people, but in the process we have eliminated a large segment of our population from participation in the processes. As a result, together with other contributing factors, from 1929 to the beginning of our national-defense program, some 10,000,000 or more of our workers were unable to find employment in productive enterprise, and even now with the increased demand for manpower in postwar production, we still have many unemployed workers. These calculations in the main do not take into consideration that larger group of unemployed who are 60 years of age or over, most of whom are denied the right to participate in productive enterprise. It is interesting to note that the United States census for 1890 shows at that time 75 percent of all our people over 65 years of age were gainfully employed. At the present time, 80 percent of our citizens 60 years of age or over are unable to obtain the minimum for decency and health.

The science of production has submergered the science of distribution. The very achievement of our goal, maximum of production with minimum of employment, has undermined our economy by reason of our failure to provide that distribution shall keep pace with production.

If we are to preserve the American way of life and protect our own democracy from disintegration and collapse, we must find a solution for our unemployment problems as well as providing a decent living for those of our citizens who under our economy are unable to be provided with remunerative employment in our system of production. The severest indictment that has been lodged against us is that while we are the richest and most favored Nation on earth, and while we have developed the greatest and most effective productive enterprise the world has ever known for providing the necessities of life—more than sufficient for all—we have failed miserably to

provide a method by which the fruits of our industry may be shared equitably by all groups of our people.

National recovery without inflation in the United States is entirely dependent upon full production and an adequate and sustained purchasing power in the hands of the American people. If business and industry are to be assured of opportunity for the steady production of goods with reasonable profits, and if labor is to be assured stable and sufficient employment, with fair wages, purchasing power must keep pace with production. Economic stability depends today almost entirely upon the expansion of demand balanced with full production. With the adequate purchasing power available, demand for commodities and services will come naturally, and this demand will force increased production and in turn stabilize employment and make more work available.

The aged, through no fault of their own, cannot take part in production. In this age it is almost impossible for a man to get a job after he reaches the age of 60. This group over 60 years of age, who have toiled the longest, should not be deprived of taking part in the consumption of goods. They are the victims of an industrial system for which they are not responsible. We owe a duty to our old folks, and we can perform this duty by establishing a national annuity system on a pay-as-you-go basis.

I urge that all of you who are interested in an adequate legislative program for the care of our senior citizens join with us in the request to the Ways and Means Committee for an early hearing on old-age-security legislation so that a bill may be reported out for a vote on the floor of the House.

The SPEAKER. Under the previous order of the House, the gentleman from Massachusetts [Mr. LANE] is recognized for 10 minutes.

#### PALESTINE JEWISH HOMELAND

Mr. LANE. Mr. Speaker, now that the world takes inventory of human sufferings; of human blood consumed by the ravages of war; of the many victims sacrificed on the altar of nazism, we find startling confirmation of what we regarded at one time as gross exaggeration.

All of us aspired to supreme sacrifice which led to the defeat of nazism. One people, however, gave one-third of its population in the course of this conflagration. Unlike the soldier on the field of battle, these human beings met their death through the gas chambers and crematories. In the modern history of mankind, nay, in the entire history of mankind, such infamous carnage has never been perpetrated. We find no parallel to such atrocities.

I am speaking of the Jewish people; not a member of the United Nations; not represented on the Repatriations Commission, but well represented in the toll of human sacrifice. This people has contributed a greater percentage in human lives than all of the United Nations combined except Russia. One-third of 17,000,000 Jews have perished so that the remnant of Jewry may be restored to its

rightful place among the United Nations, so that democracy may survive.

But, alas, what have we? When Prime Minister Churchill called upon the United States of America, "give us the tools and we will finish the job," America's magnificent answer made a brilliant gleam in those dark pages of history. Our children and children's children will not in their lifetime complete payment for the tools we sent. Now, however, it looks as if these tools are being used not to finish the job for democracy, for decency, but to finish a job that Hitler began and did not succeed in finishing.

These lease-lend tools which we have sent across, totaling \$6,000,000,000—with the United States receiving only 10 cents on the dollar—are now being used for the expansion of imperialism. Great Britain now concentrates its military and naval power—its warships, its submarines, its airplanes, motorized divisions, and air-borne troops—all this power is being mobilized and concentrated on the shores and on the soil of the tiny country—a territory smaller than Ohio—against a peaceful and peace-loving population half that of Indiana.

That might of the Empire is being massed against the survivors of Oswicim and Bergen-Belsen—of the death factories and crematoria—against those wretched survivors whom Hitler did not quite succeed in exterminating.

For reasons incomprehensible to humane civilizations, Great Britain insists that the 1,400,000 survivors remain in the concentration camps behind barbed wire, on starvation rations, with ragged prison clothes, in the hope that natural hazards will contribute to their depletion and ultimately solve the problem. Nothing has changed in the concentration camps of Europe. Only the landlords have changed.

All this is being done, not by an enemy nation to an enemy nation but to a people who were Hitler's first adversaries and victims—to a people who gave the first warning of the impending storm. All this is being done, not on British soil but in a country which does not even belong to Great Britain—a territory that was entrusted to her by international agreement—not to dominate, not to control, not to subjugate, not to enslave, not to rape, and not to plunder, but to look after as a faithful trustee, so that these people and their country may redeem life and dignity and the pursuit of happiness.

Through intrigue, manipulations, and questionable motives, the British have purportedly united feudal Arab lords into an Arab league to represent a semblance of opposition to Jewish hopes and aspirations, the nature of this opposition, according to yesterday's press—and I quote the Minister of Saudi Arabia to the United States—is "Palestine cannot support the homeless Jews of the world when its Arab inhabitants have been able for centuries to eke out only the most meager existence." What a mockery of fact. What a primitive challenge to the truth. The Arabs in Palestine have repeatedly credited their prosperity and higher standard of living to universal Jewish wealth which was poured into Palestine. The standard of living in

other Arab countries, including Saudi Arabia, wherein to this day arch war criminals are being sheltered, falls far behind in comparison with Palestine. The British propagandists in the United States should indeed keep closer watch on their puppets.

These facts were supplied to me by the Political Action Committee for Palestine, Inc., of which I am a member, in conjunction with the Call for Judgment scheduled for March 5 at Madison Square Garden, under the auspices of the Palestine Emergency Fund. This Call for Judgment is a dramatization of facts; of evidence against the British Colonial Office; a series of violations of international agreements; of broken faith and desecrated ideals; of the curtailment of civil liberties of Palestine; of concentration camps and imprisonment without trial. The American people will on that evening serve on the jury; I have been asked to invite the Members of this Chamber who so ably guard the Constitution of the United States to also serve on this jury.

#### EXTENSION OF REMARKS

Mr. MARTIN of Massachusetts (at the request of Mr. GAMBLE) was given permission to extend his remarks in the Appendix of the RECORD and include a statement made today before the Military Affairs Committee.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. DAUGHTON of Virginia (at the request of Mr. BLAND), for February 27 and 28 and March 1, on account of official business.

To Mr. GILLETTE (at the request of Mr. WOLFENDEN of Pennsylvania), for the remainder of the day, on account of illness.

To Mr. ALMOND, of Virginia, for February 28 through March 4, on account of official business.

#### SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 56. Concurrent resolution increasing the limit of expenditures for the investigation of the Pearl Harbor attack; to the Committee on Accounts.

#### ENROLLED BILLS SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 854. An act for the relief of Isabel Carlson;

H. R. 1315. An act for the relief of B. Pendino;

H. R. 1464. An act for the relief of Leonard Hutchings;

H. R. 1489. An act for the relief of Harold B. Alden and Walter Strohm;

H. R. 1848. An act for the relief of Max Hirsch;

H. R. 2168. An act for the relief of Charles Zucker;

H. R. 2171. An act for the relief of Solomon Schtlerman;

H. R. 2240. An act to credit certain service performed by members of the Army, Navy,

Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service prior to reaching 18 years of age for the purpose of computing longevity pay, or for other pay purposes;

H. R. 2270. An act for the relief of Harry C. Westover;

H. R. 2289. An act for the relief of Arnold Mecham;

H. R. 2393. An act for the relief of Elsie Peter;

H. R. 2452. An act for the relief of Sam Kalak;

H. R. 2661. An act for the relief of W. D. Jones and Ethel S. Jones;

H. R. 2724. An act for the relief of the legal guardian of Forest Eldon Powell;

H. R. 2728. An act for the relief of R. H. Sindle;

H. R. 2769. An act for the relief of C. Frank James;

H. R. 2963. An act for the relief of William Phillips;

H. R. 2974. An act for the relief of the estate of Bobby Messick;

H. R. 3028. An act to amend the act of August 17, 1937, as amended, relating to the establishment of the Cape Hatteras National Seashore Recreational Area in the State of North Carolina;

H. R. 3046. An act for the relief of Thomas A. Butler;

H. R. 3444. An act to grant the title of public lands to the town of Safford, Ariz., for the use of its municipal water system;

H. R. 3514. An act for the relief of the legal guardian of Olga Stanik, a minor;

H. R. 3614. An act to ratify and confirm Act 33 of the Session Laws of Hawaii, 1945, extending the time within which revenue bonds may be issued and delivered under chapter 118, Revised Laws of Hawaii, 1945;

H. R. 3657. An act to ratify and confirm Act 32 of the Session Laws of Hawaii, 1945;

H. R. 3730. An act granting the consent of Congress to the State of West Virginia to construct, maintain, and operate a free highway bridge across the Monongahela River at or near Star City, W. Va.;

H. R. 3784. An act for the relief of C. H. Brumfield;

H. R. 3940. An act to revive and reenact the act entitled "An act granting the consent of Congress to Rensselaer and Saratoga Counties, New York, or to either of them, or any agency representing said counties, to construct, maintain, and operate a free highway bridge across the Hudson River between the city of Mechanicville and Hemstreet Park in the town of Schaghticoke, New York", approved April 2, 1941;

H. R. 4249. An act for the relief of Lucy Delgado and Irma M. Delgado; and

H. R. 4652. An act to provide credit for past service to substitute employees of the postal service when appointed to regular positions; to extend annual and sick leave benefits to war service indefinite substitute employees; to fix the rate of compensation for temporary substitute rural carriers serving in the place of regular carriers in the armed forces; and for other purposes.

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 136. Joint resolution changing the name of the Shoshone Dam and Reservoir to Buffalo Bill Dam and Reservoir in commemoration of the one hundredth anniversary of the birth of William Frederick Cody, better known as Buffalo Bill.

#### ADJOURNMENT

Mr. BROWN of Georgia. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 16 minutes p. m.) the House, pursuant to its previous order, adjourned until tomorrow, Thursday, February 28, 1946, at 11 o'clock a. m.



COMMITTEE HEARINGS  
COMMITTEE ON WORLD WAR VETERANS'  
LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation, in open session, on Thursday, February 28, 1946, at 10 a. m., in committee room 356, Old House Office Building.

COMMITTEE ON THE POST OFFICE AND POST  
ROADS

The Committee on the Post Office and Post Roads will hold hearings on Thursday, February 28, 1946, and Friday, March 1, 1946, at 10 a. m., on H. R. 5059, a bill to provide temporary additional compensation for postmasters and employees of the postal service.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1097. A letter from the Administrator, Veterans' Administration, transmitting a draft of a proposed bill to amend certain provisions of the National Service Life Insurance Act of 1940, as amended; to the Committee on World War Veterans' Legislation.

1098. A letter from the Chairman, Federal Power Commission, transmitting a copy of the 1944 edition of Statistics of Natural Gas Companies; to the Committee on Interstate and Foreign Commerce.

1099. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to provide for the rank of original appointments in the Corps of Civil Engineers of the United States Navy, and for other purposes; to the Committee on Naval Affairs.

1100. A letter from the Acting Secretary of the Interior, transmitting a complete report and financial statement of the Bonneville Administrator covering the transmission and sale of electric energy for the fiscal year ended June 30, 1945, made under the provisions of section 9 (c) of the Bonneville Act (Public Law 329, 75th Cong., approved Aug. 20, 1937); to the Committee on Rivers and Harbors.

1101. A letter from the Secretary, United States Employees' Compensation Commission, transmitting a copy of the annual report of the United States Employees' Compensation Commission covering the fiscal year ended June 30, 1945; to the Committee on the Judiciary.

1102. A communication from the President of the United States, transmitting a proposed revision for the Department of Agriculture, in the form of amendments to House Document 437, Seventy-ninth Congress (H. Doc. No. 487); to the Committee on Appropriations and ordered to be printed.

1103. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1946 in the amount of \$247,000 for the legislative branch, House of Representatives (H. Doc. No. 488); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC  
BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. TARVER: Committee on Appropriations. H. R. 5605. A bill making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1947, and for other purposes; without amendment (Rept. No. 1659). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 318. Resolution to authorize the investigation of the transportation system; without amendment (Rept. No. 1660). Referred to the House Calendar.

Mr. CANNON of Missouri: Committee on Appropriations. H. R. 5604. A bill reducing or further reducing certain appropriations and contract authorizations available for the fiscal year 1946, and for other purposes; without amendment (Rept. No. 1671). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOUGHTON of North Carolina: Committee of conference on the disagreeing votes of the two Houses. H. R. 2348. A bill to provide for the coverage of certain drugs under the Federal narcotic laws (Rept. No. 1672). Ordered to be printed.

Mr. SABATH: Committee on Rules. House Resolution 536. Resolution waiving points of order on H. R. 5605, a bill making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1947, and for other purposes; without amendment (Rept. No. 1673). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE  
BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. JENNINGS: Committee on Claims. H. R. 2509. A bill for the relief of the legal guardian of Jimmy Martin, a minor; with amendments (Rept. No. 1661). Referred to the Committee of the Whole House.

Mr. HEDRICK: Committee on Claims. H. R. 2682. A bill for the relief of John Doshim; with amendment (Rept. No. 1662). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. H. R. 2848. A bill for the relief of the legal guardian of Wilma Sue Woods, Patsy Woods, Raymond E. Hilliard, and Thomas E. Hilliard, minors; with amendments (Rept. No. 1663). Referred to the Committee of the Whole House.

Mr. FERNANDEZ: Committee on Claims. H. R. 3365. A bill for the relief of Kay Beth Bednar; with amendment (Rept. No. 1664). Referred to the Committee of the Whole House.

Mr. COMBS: Committee on Claims. H. R. 3591. A bill for the relief of Addie Pruitt; with amendment (Rept. No. 1665). Referred to the Committee of the Whole House.

Mr. RAMEY: Committee on Claims. H. R. 3846. A bill for the relief of Lt. Samuel Adams Lynde, United States Navy; with amendment (Rept. No. 1666). Referred to the Committee of the Whole House.

Mr. RAMEY: Committee on Claims. H. R. 4270. A bill for the relief of Southern California Edison Co., Ltd.; without amendment (Rept. No. 1667). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 4414. A bill for the relief of Eva D. Champlin, Robert H. Howell, Emily Howell, and Stella Ward; with amendment (Rept. No. 1668). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 4537. A bill for the relief of Lillian Jacobs; without amendment (Rept. No. 1669). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 4607. A bill for the relief of Margaret Lee; with amendment (Rept. No. 1670). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON of Missouri:  
H. R. 5604. A bill reducing or further reducing certain appropriations and contractual authorizations available for the fiscal year 1946, and for other purposes; to the Committee on Appropriations.

By Mr. LAFOLLETTE:  
H. R. 5606. A bill authorizing the Indiana State Toll Bridge Commission to construct, maintain, and operate a toll bridge or a free bridge across the Wabash River near Mount Vernon, Ind.; to the Committee on Interstate and Foreign Commerce.

By Mr. O'BRIEN of Michigan:  
H. R. 5607. A bill to amend the act of February 3, 1944, known as the Mustering-out Payment Act of 1944, so as to extend the time within which application may be made by members of the armed forces discharged prior to the enactment of the act; to the Committee on Military Affairs.

By Mr. POAGE:  
H. R. 5608. A bill relating to the disposition of certain surplus property located outside the United States; to the Committee on Expenditures in the Executive Departments.

By Mr. KEARNEY:  
H. R. 5609. A bill authorizing a preliminary examination and survey of the Mohawk and Hudson Rivers, N. Y., with a view to the elimination of the water chestnut; to the Committee on Rivers and Harbors.

By Mr. RIZLEY:  
H. R. 5610. A bill relating to the disposition of certain surplus property located outside the United States; to the Committee on Expenditures in the Executive Departments.

By Mr. TARVER:  
H. Res. 535. Resolution providing for the consideration of H. R. 5605, a bill making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1947, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to establishment of national parks; to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FARRINGTON:  
H. R. 5611. A bill for the relief of Tsuta Matsumoto, alias Tsuta Kubo; to the Committee on Immigration and Naturalization.

By Mr. FOGARTY:  
H. R. 5612. A bill for the relief of James R. Glynn; to the Committee on Claims.  
H. R. 5613. A bill for the relief of George E. Robinson; to the Committee on Claims.  
H. R. 5614. A bill for the relief of Lula M. Robinson; to the Committee on Claims.

By Mr. HENDRICKS:  
H. R. 5615. A bill to correct the naval record of former members of the crews of the revenue cutters *Gresham*, *Fessenden*, and *Morrill*; to the Committee on Naval Affairs.

By Mr. PETERSON of Florida:  
H. R. 5616. A bill for the relief of Maj. Ralph M. Rowley and First Lt. Irving E. Sheffield; to the Committee on Claims.

H. R. 5617. A bill conferring jurisdiction upon the Court of Claims to hear and determine the claims of Trent Trust Co., Ltd., a corporation of the Territory of Hawaii, and Cooke Trust Co., Ltd., a corporation of the Territory of Hawaii, as receiver for said Trent Trust Co., Ltd.; to the Committee on Claims.

By Mr. SHAFER:

H. R. 5618. A bill for the relief of W. O. Goodwin; to the Committee on Claims.

H. R. 5619. A bill for the relief of Claude A. Mutchler; to the Committee on Claims.

By Mrs. SMITH of Maine:

H. R. 5620. A bill for the relief of Roger Edgar Lapierre; to the Committee on Immigration and Naturalization.

By Mr. WEST:

H. R. 5621. A bill for the relief of Pete C. Rosales, Sr.; to the Committee on Claims.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1636. By Mr. ARNOLD: Petition of constituents in Linneus, Mo., urging support of the Poage bill (H. R. 1742) to authorize appropriation of \$5,000,000 so that the Rural Electrification Administrator might prepare comprehensive plans for electrification of rural areas, and to authorize the Reconstruction Finance Corporation to make additional loans to the REA aggregating \$585,000,000 by June 30, 1948; to the Committee on Interstate and Foreign Commerce.

1637. By Mr. HART: Petition of the Polish American Congress of Jersey City, N. J., recommending the enactment of House Concurrent Resolution 109, relative to displaced persons and refugees in foreign countries; to the Committee on Foreign Affairs.

1638. By Mr. HESS: Petition of the City Council of Cincinnati, Ohio, petitioning the Congress of the United States of America to expedite action in the matter of price control over building materials; to the Committee on Banking and Currency.

1639. By Mr. RICH: Petition of the Commission on Maternal Welfare of the Pennsylvania State Medical Society, opposing any legislation which will perpetuate the present EMIC plan or any legislation which shall set up any similar plan for maternal and child welfare; to the Committee on Appropriations.

1640. By Mrs. ROGERS of Massachusetts: Petition of the General Court of the Commonwealth of Massachusetts, urging increase of aid to dependent children program; to the Committee on Appropriations.

1641. By Mr. WELCH: California Senate Joint Resolution 9, relating to establishment of national parks; to the Committee on Agriculture.

1642. Also, California Assembly Joint Resolution 25, memorializing the President of the United States to appoint a westerner Secretary of the Interior; to the Committee on the Judiciary.

1643. Also, California Legislature House Resolution 100, relating to relaxation of social-security restrictions to permit recipients of aid to the aged to assist in the production of food to meet world needs; to the Committee on Ways and Means.

1644. Also, California Senate Joint Resolution 8, relating to encouraging the resumption of gold mining; to the Committee on Mines and Mining.

1645. Also, California Senate Joint Resolution 3, relating to proposed reparations to American residents of the Philippines detained during the war in Japanese prison camps and memorializing Congress in regard thereto; to the Committee on Foreign Affairs.

1646. Also, California Legislature House Resolution 114, relating to the investigation of the United States Forest Service; to the Committee on Agriculture.

1647. Also, California Assembly Concurrent Resolution 20, relating to the creation of a joint committee on the housing emergency; to the Committee on Banking and Currency.

1648. Also, California House Resolution 111, memorializing Federal Government agencies to relinquish office space to returned lawyer-veterans in Los Angeles County; to the Committee on Public Buildings and Grounds.

1649. Also, California Assembly Joint Resolution 22, memorializing Congress to make farm machinery, implements, and housing available; to the Committee on Banking and Currency.

1650. Also, California Assembly Joint Resolution 20, relating to the surplus potato crops in California; to the Committee on Agriculture.

1651. Also, California Senate Joint Resolution 10, relating to the permanent establishment of Camp Beale; to the Committee on Military Affairs.

1652. Also, California Assembly Joint Resolution 18, memorializing Congress to provide for an increase in the national minimum wage structure; to the Committee on Labor.

1653. Also, California Assembly Joint Resolution 17, relating to the development of tuna fishing in the Pacific Ocean; to the Committee on the Merchant Marine and Fisheries.

1654. Also, California Assembly Joint Resolution 16, memorializing the Congress of the United States to provide for a survey of the fisheries of the Pacific coast; to the Committee on the Merchant Marine and Fisheries.

1655. Also, California Senate Joint Resolution 4, relating to Federal legislation granting terminal furloughs and leaves to enlisted personnel of the armed forces of the United States; to the Committee on Military Affairs.

1656. By the SPEAKER: Petition of the executive board of the Michigan Federation of Post Office Clerks, urging consideration of their resolution with reference to salaries and retirement of our national legislators; to the Committee on the Judiciary.

## HOUSE OF REPRESENTATIVES

THURSDAY, FEBRUARY 28, 1946

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou who art touched with the feeling of our infirmities, yet without sin, reconcile all men to Thy teaching. As we mingle today, O give us strength of self-control and patience to bear and to endure. May we not yield easily to the things which try and disturb us, or be of those who, having put their hand to the plow, turn back before the task is done. We claim no exemption from duty, but we do pray for divine guidance in all our efforts, that we may follow after things which make for peace, and things whereby we may edify one another. As servants of the public weal, make us to see the path that leads to Thee, dealing justly and loving mercy in all things. Direct us by Thy spirit, and Thine shall be the glory forever. This we ask in the name of Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced

that the Senate had passed, with amendments in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 301. Joint resolution to amend Public Law 30 of the Seventy-ninth Congress, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1129. An act for the relief of Willie H. Johnson.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 63) entitled "An act to amend the Communications Act of 1934, as amended, so as to prohibit interference with the broadcasting of noncommercial cultural or educational programs"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JOHNSON of Colorado, Mr. TUNNELL, Mr. MYERS, Mr. WHITE, and Mr. AUSTIN to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2348) entitled "An act to provide for the coverage of certain drugs under the Federal narcotic laws."

#### AUTHORIZING PERMANENT APPOINTMENT IN THE GRADES OF GENERAL OF THE ARMY, FLEET ADMIRAL OF THE NAVY, AND GENERAL OF THE MARINE CORPS OF CERTAIN INDIVIDUALS

Mr. MAY. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1354) to authorize the permanent appointment in the grades of General of the Army, Fleet Admiral of the United States Navy, and general in the Marine Corps, respectively, of certain individuals who have served in such grades during the Second World War.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. MILLER of Nebraska. Mr. Speaker, reserving the right to object, will the gentleman from Kentucky please make a short explanation of the bill? In the last few days I have been contacted by several Members of both the War Department and the Navy Department asking whether I would object to this bill when it came up. They understood that I was the chief objector in the House. I did object at one time to a bill to give a special medal to General Marshall previous to the Pearl Harbor investigation. I thought giving a medal at that time was premature. When it came up the second time I did not object because the hearings on Pearl Harbor were completed. They tell a not too nice story of who were responsible for that crime. The American people have not been fooled by testimony that was presented to the Pearl Harbor Committee, and I am sure that General Marshall and Admiral Stark knew where they were on December 6, although they swore before the committee they did not know. The President knew the orderly knew where